

JPRS-EER-89-142  
19 DECEMBER 1989



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# ***JPRS Report***

## **East Europe**

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# East Europe

JPRS-EER-89-142

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## CZECHOSLOVAKIA

### Samizdat Publication Lists Dissident Organizations

90EC0086A Prague LIDOVE NOVINY in Czech  
No 9 (Sep 89) pp 25-26

[Article compiled by Jiri Gruntorad: "Independent Initiatives in Czechoslovakia"]

[Text] Charter 77 is one of the oldest citizens' initiatives in Central Europe. Its appearance was preceded by the trials of underground musicians from the group Plastic People in 1976. At that time, citizens' groups of a wide variety of persuasions arose; these groups did not agree with this drastic intervention by the agencies of repression. In December 1976, the signatures of 240 citizens from the entire spectrum of public opinion were collected, including those of the persecuted musicians and their friends, on the announcement of Charter 77. The signatories welcomed the fact that Czechoslovakia had concluded international pacts, but at the same time pointed out that the rights and liberties thus guaranteed remained only on paper. Charter 77 is a free, informal, and open association of people of various convictions, various faiths, and various professions who are united by the will to persevere, individually and collectively, in gaining respect for civil and human rights in our country and the world. Charter 77 is not an organization, has no officers, standing organs, or membership determined by an organization. Its members are anyone who agrees with its thinking, participates in its work, and supports it.

Since 1978, an independent editorial group of Charter 77 signatories has published the periodical, INFORMACE O CHARTE 77 [INFORMATION ABOUT CHARTER 77]. Since 1988 it has appeared biweekly. It publishes all Charter 77 documents, communications by the Committee in Defense of Those Unjustly Prosecuted, articles about human and civil rights and about the activities of independent initiatives, and also information about samizdat news.

Ongoing police and judicial repressive acts against independent activists and nonconformist citizens in general led to the founding, in April 1978, of the Committee in Defense of Those Unjustly Prosecuted (VONS).

In May 1979, State Security (the StB) arrested ten VONS members in an attempt to disable the committee's activity. However, they achieved the precise opposite: the number of members increased to 33, and these continued the activities even more intensively. VONS currently has 31 members in Czechoslovakia; the other six share in its activities abroad. Over the course of its existence it has issued more than 900 communiques and has championed the cause of several hundred unjustly prosecuted persons. VONS member Ladislav Lis was twice elected deputy chairman of the FIDH [International Federation of Human Rights].

The organizing committee Society of Friends of the USA [SPUSA] arose in May 1987, in Gottwaldov, Lipnik nad Bečvou, Ostrava, Brno, and Prague. It had a total of 43 members. In June 1987, its application for registration was turned down, and this decision was confirmed by the Minister of the Interior of the CSSR. From the very beginning, activists in this committee were subjected to persecution, arrest, and surveillance. In February 1988, CSSR authorities were informed of the formation of the Association of Friends of the USA, an informal association united by similar concerns.

On 6 July 1987, the Circle of Friends of Polish-Czechoslovak Solidarity was formed. The Polish-Czechoslovak solidarity group is an autonomous labor association independent of previous movements and initiatives. Its areas of activity are the exchange of information, experience, and independent cultural works, and also the coordination of a very wide variety of international activities.

In December 1987, the first issue of the periodical, BIULETYN INFORMACYJNY SOLIDARNOSCI POLSKO-CZECHOSLOWACKIEJ [INFORMATION BULLETIN OF POLISH-CZECHOSLOVAK SOLIDARITY] appeared in Vratislava; it appears monthly. The number zero edition of the INFORMATION BULLETIN OF POLISH-CZECHOSLOVAK SOLIDARITY appeared in September 1988; number one appeared in October 1988.

A group of citizens who are claiming the democratic tradition in our country are known by the name Democratic Initiative (DI). They are endeavoring to spark discussion within society of current topics. Their first public appearance was when they sent 50 letters by Czechoslovak citizens to Federal Assembly delegates in September 1987. DI also participated in preparation for the unofficial demonstration on the 70th anniversary of the founding of Czechoslovakia. DI suspended its activity in November 1978, and resumed it in December of the same year. DI business is reported in the periodical GLOSAR 1988; in addition to that, DI also publishes the periodical POHLED SPOTREBITEL [CONSUMER REVIEW].

The need for the formation of the Thomas Garrigue Masaryk Society was first expressed by the philosopher Ladislav Heydanek on the occasion of the 50th anniversary of the death of T. G. Masaryk in September 1987. In December 1987 this idea was developed further by the Democratic Initiative. The organizing committee of the T.G.M. Society was formed in the Spring of 1988; in March of 1988 the StB raided a meeting of the committee. In May 1988 the organizing committee applied for registration. In July 1988 the request was denied, and the organizing committee filed an appeal of the rejection.

In May 1986, the organizing committee of the organization Young Artists for Peace applied to the Ministry of the Interior for approval of its organizational by-laws. The registration application reads, in part, that the arts

"by their very essence erase the boundaries between peoples, bring people closer together, and aid the spread and development of ethical values." The applicants go on to cite John Lennon as one who fought for peace, and end with this: "We want to develop this, our own brand of social activism, within the framework of the National Front, and by doing so to contribute to the further development of our country and of the entire world." Five hundred young people supported the organizing committee with their signatures.

The Independent Peace Society-Initiative for the Demilitarization of Society (NMS-IDS) came into being on 16 April 1988. It published a letter demanding that military service be shortened, and, in a further letter in May 1988, demanded a guarantee of the right to refuse military service and the establishment of alternative civilian service for those who, for reasons of conscience, do not want to fulfill their military service. In August 1988, the NMS called for the withdrawal of soviet troops from the CSSR. The NMS was a co-sponsor of the PRAHA 88 and Ceskoslovensko 88 seminars. NMS activists hold discussion meetings on the last Saturday of every month, and also published a statement on the occasion of 28 October (the 70th anniversary of the formation of an independent Czechoslovakia). The NMS was one of the initiatives that held independent demonstrations on the occasion of that anniversary and demonstrations on the occasion of the 40th anniversary of the ratification of the Universal Declaration on Human Rights.

The Social Defense Initiative (ISO) came into being in October 1988 after a few months of organizational work. The ISO's founding session was frustrated by the police, and the result was that the initiative's existence was announced at the police station where the participants had been taken. In November 1988, the ISO issued its first document. It dealt with the circular letter sent out by the Lord Mayor of Prague to the employers of people who had been arrested at the October demonstrations in Prague. The ISO pointed out the injustice of that letter and demanded that agencies of the state act to prohibit the abuse of power in the area of labor law and in the area of the right to education. In a further document, the ISO concerns itself with the wage situation; it is also making arrangements for the publication of its own bulletin.

In October 1988, Augustin Navratil informed the Ministry of the Interior of the CSSR that the Catholic Lay Society Peace on Earth had commenced activities. He emphasized that the society is peaceful, and that the primary thrust of its program is support for a motion to establish a zone of confidence, cooperation, and good, neighborly relationships between the Warsaw Pact and NATO countries. There are also other informal and initiatives operating within the Catholic Church, some of which are not publicly declared, which are designated illegal by officials.

The general public has been aware of publications and documents by the Committee for the Defense of the Magyar Minority in the CSSR (VOPMM) since the beginning of 1987, when INFORMACE O CHARTE 77 began referring to them. The VOPMM paid tribute to Charter 77 on the 10th anniversary of the latter's founding, endured attacks by the StB against Magyar college students in Nitra and violence against Magyar cultural centers in Bratislava.

The inaugural conference of the Jazz Section of the CSSR Union of Musicians (JS SH CSR) took place in October 1971. Since 1978, the JS has been a member of the International Jazz Federation under the UNESCO Economic Council. After 1980 the CSSR Union of Musicians tried several times to dissolve the Jazz section, but was unsuccessful. In 1983 the independent by-laws of the JS SH CSR were abolished, but at the same time the Jazz Section of the Prague Chapter of the CSSR Union of Musicians (JS PP SH) was founded. It took over all of the activities of the JS. In October 1984, the CSSR Union of Musicians was abolished by decision of the Ministry of the Interior of the CSSR. In January 1985, a legal remedy submitted against abolition of the Musicians' Union was rejected; since that time, the national agencies of the SH have considered the SH, including the Jazz Section, abolished. The JS asserts that the abolition was illegal, and is making efforts to reverse that decision. It is also filing an application for a new registration with the District People's Council for Prague 4, which to date remains to be processed. The persecution intensified in September 1985, with searches of the homes of functionaries and the criminal prosecution of Karel Srp, president of the JS. The persecutions culminated, a year later, in the imprisonment of the entire leadership of the JS. At that time, the JS had about 7,000 members.

In 1987, members of this committee negotiated with the Ministry of Culture for the creation of a voluntary amateur group, the Unijazz—Society for Jazz Music in World Culture.

Another initiative that is trying to link up with the JS's activity is Artforum. It intends to be active in the area of amateur art, from contemporary serious music through rock, jazz, literature, visual arts, and theater, to the most varied sorts of creative experimentation. The artistic portion of the by-laws has been approved, and the competent authorities have permitted the activity of the organizing committee and the opening of post office boxes.

The CZECH CHILDREN manifesto (CD) was published on 28 May 1988 in Prague. It announces that the Czech kingdom persists and that its highest goal is the coming of a new king. Among other things, the Czech Children called, in their own leaflet, for a demonstration on 21 August 1988, and also participated in the organization of an independent demonstration on the occasion of the 40th anniversary of the Universal Declaration on Human Rights. The CD Library is also appearing within

the framework of this initiative; it would publish uncensored publications, and is preparing to publish a periodical.

The Civil Liberty Movement (HOS) went public on 15 October 1988 with the manifesto DEMOCRACY FOR ALL. The manifesto states that the time is ripe for political work. We understand the HOS to be a free society of political groups and clubs in various locations in our republic; they form autonomously and are not subordinated to any central organization. One may meet, in them, people to whom the future of our native land is not a matter of indifference, who are prepared to discuss all political questions openly, who respect the principle of plurality, and who are resolved to become directly involved in politics, whether by holding discussion fora at work or in communities, or by asserting various universal or local demands, or by efforts in favor of independent candidacy in elections for representative bodies, or otherwise. Authors elaborate these topics in a ten-page document. One hundred twenty-six citizens signed it. Criminal proceedings were instigated against HOS; many signatories of the HOS manifesto were arrested on 27 October 1988, and most were held for four days. The homes of more than 20 of them were searched. Because of that, more citizens joined HOS, and as of 31 January 1989 there were more than 300 of them. Since December 1988, HOS has been publishing ALTERNATIVA, a review of independent politics.

The Czechoslovak Helsinki Committee (CSHV) was founded on 5 November 1988. Its goal is to support the principles and resolutions of the Helsinki Accord. The committee had 20 members when it was founded, and its Chairman is Professor Jiri Hajek. In December 1988, the CSHV became a member organization of the International Helsinki Federation for Human Rights and now has 31 members.

The John Lennon Peace Club (MKJL) was founded in Prague in December 1988. The announcement of its founding speaks, among other things, of the imprisonment of Czechoslovak peace activists and the export of Czechoslovak arms to many countries around the world.

A publication by the Eastern Europe Information Agency (VIA) appeared on 20 December 1988. The VIA is independent of the state agencies of our country. The Agency is presently operating in the USSR, Czechoslovakia, Hungary, and Poland. The basic goal of the agency is to disseminate information on events occurring in our countries. VIA's information is furnished to everyone who expresses an interest in it, but primarily to independent publishing initiatives.

26 January 1989 is the date on a letter signed by the Initiative of Cultural Workers (IKP). Attached to the petition were sheets with 692 signatures. Among the signatories are actors, directors, graphic artists, dramatists, writers, theoretical artists, and musicians. More than 2,000 cultural workers signed the petition. One thousand scholars and scientists supported these

demands with their own petition; both petitions continue to be acquire signatures.

In mid-February, the organizing committee of the "Obroda" [Renaissance] Club for Socialist Reform was publicly announced. In the announcement, the authors emphasize their socialist convictions and mention the discrediting of socialist thought by Stalinist crimes and bureaucratic distortions in the USSR and other countries. By 15 February 1989, "Obroda" had 118 members and its organizing committee applied to the Ministry of the Interior of the CSSR for official registration. The organizational structure of the club is designed as a system of branches that would be set up in communities on the territory of the CSSR. Associated with this initiative is the samizdat periodical DIALOG, which has been published since Autumn of 1988.

The Legal Support Club (KPP) published its notice of founding in Prague on 14 February 1989. The founders of the club were inspired by the death of political prisoner Pavel Wonka, who died under circumstances that testify to the violation of prisoners' human rights.

On 15 February 1989, the Association for the Study of Democratic Socialism (SSDS) applied to the Ministry of the Interior of the CSSR for approval of its by-laws. It wishes to contribute to the development of pluralism based on socialism, and wants to direct its study activity to all that is positive in what has been accomplished by socialism in Czechoslovakia and other countries. The subjects studied will be various national economies and international business groups.

To date, the Committee in Favor of Awarding the 1989 Nobel Peace Prize to Vaclav Havel has issued 18 publications. It informs the public that perhaps 1,550 citizens, and, furthermore, the independent initiatives Charter 77, VONS, HOS, DI, CSHV, CD, and the editorial board of LN [LIDOVE NOVINY] have come out in favor of awarding him the Nobel Prize. These letters and lists of signatures will be sent to the Nobel Committee in Oslo, which awards the Nobel Peace Prize.

The Independent Ecological Group in Czechoslovakia originally functioned under the aegis of Charter 77. The first Charter 77 forum in 1987 did have an ecological theme. In Autumn, 1987, EKOLOGICKY BULLETIN [ECOLOGICAL BULLETIN] began to be published in samizdat; an informal ecological group formed around it.

Included in this summary are all of the independent initiatives had come into being by the end of February 1989 and about which the authors were successful in obtaining information. Not mentioned are several independent publishing initiatives which, as far as is known, are not connected to any of the independent groups described in this text. The most significant of the samizdat book publishers are EDICE PETLICE and EDICE EXPEDICE, and, among periodicals, LIDOVE NOVINY. This area of independent initiatives would deserve separate attention and a separate summary.

Editor's note: Dear readers, due to the lengthy time required for editing, it was not possible to pick up, in this brochure, every existing independent, or, if you will, "alternative" initiative functioning in Czechoslovakia at the present time. The author completed the text in March of this year [1989] but corrigenda, addenda, and printing took three more months. Meanwhile, we have learned of the existence of several other initiatives that have either just arisen or of which the author did not know. Therefore, we mention them, albeit briefly, in this remark.

Open Dialogue—is a free association of performers and artists, the first notice from whom was published in October 1988 during the Open Dialogue Days in Brno. The announcement was signed by nine cultural workers known in the spheres of graphic arts, music, theater, and philosophy. Open Dialogue is not an organization, has no committee, representatives, or secretariat. Anyone who wishes to share its existence may join the association.

Association for a Happier Present—commenced its public activity on 1 May 1989 "Among the Political Prisoner Class" in Prague. It functions as an alternative, overt initiative whose primary creed is to approach the problems of actual socialism in the form of humor.

The Christian Aid Committee—began in February, 1989. The committee comprises the St. Anthony Information Center—aid for the blind and vision-impaired. It is headquartered at the archiepiscopal offices in Prague and circulars from the archbishopric of Prague supply information about its activities.

The Society of Czech Folk—is the only independent initiative in Stary Plzenec. It publishes the independent newspaper, STAROPLZENECKY ATASE [Old Plzenec Attaché] and has apparently been in existence since last year. It has sponsored a number of concerts, performances, and exhibitions.

The Havlickova Youth—started in November 1988, in Havlickova Broda as a reaction to the purely formal activity of the Socialist Youth Association (SSM) and to the insufficient opportunities for self-realization for youth, especially in the area of culture.

The "Junak" Scout Group—is a group with a very rich tradition and history. In the last two decades this group has existed independent of the licence and legality of its organization. The basis of scouting still remains a full and happy life governed by natural ethical law and the oath. In April 1989, CIN [DEED], the bulletin of Czechoslovak boy and girl scouts, began appearing as a samizdat publication.

The Committee for the Defense of Frantisek Stark—On 17 April 1989 this committee published its foundation notice, which was signed by nine of its members. The notice says, in part, that the Committee for the Defense of F. Stark is founded on the confidence that a more just way of ordering our society is absolutely necessary, and

that not only state agencies, but individual citizens, should concern themselves with not being indifferent to the fate of any unjustly imprisoned person.

The Society for the Propagation of the Idea of European Cooperation—Society for a European Homeland—dates its existence from January 1989, and the activity of this society flows from its name. We were unable, however, to obtain more detailed information.

## POLAND

### Solidarity Figure Expresses Opposition to Walesa's Ideas, 'Reign'

90EP0101A Warsaw KONFRONTACJE in Polish  
No 9 Sep 89 pp 14-15

[Interview with Jan Rulewski, chairman, Temporary Administration of the Regional NSZZ Solidarity in Bydgoszcz, by Lech Lutogniewski; date and place not given]

[Text] [KONFRONTACJE] In Bydgoszcz, Solidarity has split. There is a Regional Organizing Committee headed by Antoni Tokarczuk and a Temporary Regional Administration whose work is directed by Jan Rulewski. What does union activity look like in a situation like this?

[Rulewski] The basic difference between us and a certain segment of union opinion that is opting in favor of experiences prior to August, when "souls were snatched" in support of the "one and only correct line" consists in that we want to "attract" people. Hence so many curious phenomena in our activities. But it is not just a matter of innovation, but of the creation of a center of union reaction; gathering people around certain problems, and not accenting the size of the organization in numbers. Because if you measure quantitatively, then without a doubt the man in charge of the transformations in Poland would be Alfred Miodowicz, who has a couple million union members, and it turns out that there is no such reactive force.

[KONFRONTACJE] But it hurts, doesn't it, when a group of union members on the rolls of the Temporary Regional Administration goes over to the founders' committee.

[Rulewski] That is sort of a reversal. On the other hand, there are growing assertions, even few in number, that the shop organizations are going over there because only then can they open a bank account. But their hearts are with Jan Rulewski.

[KONFRONTACJE] You don't have bank accounts?

[Rulewski] We have been blocked by methods similar to those set up by Mikolajczyk after the war. Initially they were in the form of temporary difficulties, then ranged all the way to drastic massacres.

[KONFRONTACJE] You don't mean to say there were threats of physical violence?

[Rulewski] Anything can happen. Methods like the ones used in Bydgoszcz force us to think that if certain persons come into power, and if their program is defeated, they will want to apply gags, the tightness of which will depend in turn on those who will apply them.

[KONFRONTACJE] Regional election time is approaching. The Regional Citizens' Committee is using the argument that Jan Rulewski cannot run because he is not employed anywhere.

[Rulewski] That is a painful problem. I should feel like I am employed, because I was fired from my shop for my union activities when I organized an effective strike at Romet. Since that time, the organization at the Bicycle Works has not initiated any action to restore my job.

[KONFRONTACJE] The regulation permits you to file the applicable petition yourself.

[Rulewski] That is what everybody tells me, but this is what I think: if there is any union at all at my shop, then its bylaws require it to help me and to come forward with that kind of initiative. All the more so because that materialized in Antoni Tokarczuk's case. They took him on in a job that I think was unusually good, because he was the deputy director of the Club.

If Solidarity is there, then it is all the more fitting that that organization should approach me to solve the employment problem of our colleagues, men and women, and mine, sort of jointly. For now that hasn't happened. It's a very painful thing that can't be solved by my own petition for reinstatement. So your suggestion is unacceptable to me.

Furthermore, what sense would it make to petition a company with both that kind of director and that kind of Solidarity organization. It would be more to my advantage to be employed in some kind of cooperative, where at least there wouldn't be any bitter resentments.

[KONFRONTACJE] But you were, after all, liked and respected in your day by your organization at Romet.

[Rulewski] I think the seed of the anger and even the hatred that come out directed at me was sown by public figures, even Lech Walesa, who accused me of treason without any evidence, using the methods of the 1970's. Tokarczuk reviles us as "illegals." Next, it is a known fact that Polish society is not ready for political, social, or union pluralism. Even if what I say does not apply to everybody, it certainly does apply to a large number of Poles. That is why it's so easy to fall prey to these slogans and herd behavior, which is not a problem in Bydgoszcz alone right now.

[KONFRONTACJE] If you lose the regional election, will you be able to cooperate with the newly-elected authorities?

[Rulewski] That question presupposes that I will run. It is not my intention to run the union in this region. I am more interested in leading some ideas, some reasoning, than in holding court over a few armchairs. Second of all, let me remind you that the program I have been announcing since the early days of my internment, to "recapture" our union, is the result of deep reflection. It is a matter of curtailing various inhibitions imposed on the activists and reinforced by the likes of Jaruzelski, which is how we lost the beautiful opportunity that Solidarity was in 1980. I succeeded in doing that in our region. Funny, that was right at the time I was being accused of powerful extremism, and high-level Security Service (SB) officers estimated that activity was worth a minimum of 10 years in prison. And I had been announcing the concepts that lay at the foot of the roundtable and were written down in its documents nine years earlier in Radom. The party's limited monopoly, a government of experts that will certainly come about after the governments of the great coalition, I was ahead of my time in voicing my reflections as a citizen, which I have a right to do. I wasn't concerned about taking credit, but about solving certain necessities.

[KONFRONTACJE] But I really would like a concrete answer about cooperation with Tokarczuk.

[Rulewski] That depends on the terms he offers. If they do not change, there will be no cooperation, because that strikes at August '80 and its materialization in the form of Solidarity. But let's not make a giant out of Tokarczuk.

[KONFRONTACJE] But what will happen when the members of Solidarity in the Bydgoszcz region start to feel strongly that they want you to be their leader?

[Rulewski] I am a person who has drawn certain lines for himself where dependency is concerned. So there are activities and behaviors that no society is capable of forcing out of me. In some foreign countries these are fairly clearly specified: the right to happiness, to well-being, to dignity. I have no right to change them.

[KONFRONTACJE] But people will have regrets. They believed you would lead them.

[Rulewski] I don't accept the philosophy that somebody has to lead them. I apply the philosophy of Janosik [a legendary figure akin to Robin Hood], a man of the people, who lives for people. That is, giving other people the chance to be active. That is why I have a gripe against people like Walesa, not so much because they have the makings of a star, but because they have wandered away from the spirit of August '80, which was a universal movement and made many people active subjects. Now those people have, as it were, taken possession of all that activity. What Walesa is saying, I was already proposing back in 1981. They are usurping the right to define who is legal and who isn't. To say nothing of the fact that centralization is a pretty compromised road, they are nonetheless trying to apply it in the union now.

During martial law, that method was unable to attract society to activism, even if the proposals were good ones. Similarly, the roundtable team, signing elitist agreements, have not attracted society, and are to blame for the enormous factionalization of the opposition groups. Blocking the paths of democracy in the union gave rise to a desire to seek roads in the formation of other groupings. That wave is gathering to break at this very moment.

We in Bydgoszcz were in the most difficult position—a crouch—when we wanted to preserve the integration of the union without participating in fractious activities, but on the other hand we are not reconciled to contempt for the union. We are not consenting to "Walesism."

[KONFRONTACJE] Since you do not intend to run for election, what place do you see for yourself?

[Rulewski] I want to be in Solidarity—in a position that is not coerced by my job. That is harder to do, since it is much easier to operate institutionally in Poland. In the United States or in Great Britain, it is easier for a suitably consolidated group of people to propose a political or economic concept to the government. But we want to try it. It is time to build a local society. My concern is that the Poland whose shape was discussed at the roundtable be broadened with the notion of "local Poland," that is, a Poland in which central authorities have limited competencies, which should elicit maximal commitment from millions of people in villages, communities, towns, and cities.

[KONFRONTACJE] In keeping with that concept, are you prepared to run for the National Assembly at the local level?

[Rulewski] Since I did not run either for the Sejm or for the Senate, I believe I can count on those who refused to participate in the elections, thereby blocking them, would vote for me, so I can take that into consideration in my plans. Because I have devoted all my strength to our country over the last 9 years, at the expense of relaxation, and even of my family, at the expense of repression, I intend to serve Poland. Anyway, I experienced my first repressions for my attempts to serve my country in the best possible way when I was 20 years old.

There is no question of betraying secrets. We are preparing more and more intensively for gathering the best minds in the region around us. That obviously demands the best preparations. This will not be a continuation of the political past, because the country does not have the kinds of political, social, and economic conditions that prevailed, for example, before the Second World War. That Poland was a country of great private holdings, landowners, but also of the proletariat and peasantry. At the same time, it was backward, and had a different authority structure. Hence, since 95 percent of the property belongs to the state and the notion of egalitarianism is entrenched—it is necessary to find a formula for social action and reaction that is adequate to these conditions. I dream of something whose spirit I could defend.

August '80 gave me birth, so I guess I have to stay within reach of it. Maybe it's history today, but it's also the present.

[KONFRONTACJE] Would you decide to accept, say, an administrative position in the city?

[Rulewski] I spoke of my intentions to reanimate August '80. At that time we saw a certain kind of movement, one that worked in favor of conversion, or the introduction of new values. On the other hand, we were less interested in its material form, in the sense of jobs. For that reason, we are indignant at the behavior of many present union activists.

I, at least, and I am convinced this applies to many of my colleagues, men and women, am more interested in values like democracy, dignity, and justice, than in a senator's chair.

### Splinter Group Leader of Federation of Fighting Youth Gives Agenda

90EP0101B Warsaw KONFRONTACJE in Polish  
Sep 89 p 22

[Interview with Mariusz Roman, activist in radical faction of Federation of Fighting Youth (FMW): "Compromise is Betrayal"; date and place not given]

[Text] [KONFRONTACJE] "There is no Solidarity without Independence" has been your byword. In your declaration of ideas, "To Youth," you indicate that your goal is "an independent and democratic Poland." What does that mean?

[Roman] We are working toward the creation of a Poland that will be free above all. [passage deleted from original text and replaced with notation: Law of 31 August 1981, "On the Control of Publications and Performances, article 2, point 3 (DZIENNIK USTAW no 20, item 99 with later amendments)]. A country in which authority will be elected in free elections, and whose government, representing only our Polish interests, will carry out its policy unhampered by anything. That is our ultimate goal.

[KONFRONTACJE] Your colleagues in the other, non-radical faction of the Federation of Fighting Youth call you insurrectionists... When will the insurrection be, and what will it be like?

[Roman] That's the first time I've heard of that label used about us specifically. Though it is true that we are not ruling out even that formula for attaining independence. But we should not be considered a band of madmen [passage deleted from original text and replaced with notation: Law of 31 August 1981, "On the Control of Publications and Performances, article 2, point 3 (DZIENNIK USTAW, no 20, item 99, with later amendments)].

[KONFRONTACJE] Will you throw bombs?

[Roman] We are not renouncing any method that can bring us closer to independence—as long as the method is not contrary to Catholic ethics. We adapt means to current political conditions. Right now, young people in our country must undergo good schooling in order to discover themselves permanently in independence activity. We are forming self-education circles, our own libraries of independent publications. We are an organization in which the traditions of Pilsudski, especially, are nursed, so we often organize independence shows, for example the March on the Route of the First Cadre Company.

[KONFRONTACJE] Piotr Szynkiel, who leads the FMW faction that opposes you, asserted on the pages of KONFRONTACJE that the split with the two small groups does not weaken them. Are you really so insignificant that your opponent does not take you seriously?

[Roman] Actually, he is the one who led up to the unnecessary split within the FMW by trying to eliminate us. In May he placed this condition on representatives of the Warmia and Mazury regions: they were to take a neutral attitude to the June elections. If there was insubordination, they would be dismissed from the Federation. The remaining activists from the National Coordinating Committee gave the impression they supported him. Because of that, a different FMW National Committee, ours, was convened that very day; its structure now encompasses ten regions, which means that we have a strong influence in several dozen cities.

[KONFRONTACJE] Is the election boycott and the slogans that have been appearing here and there, "The elections are another Targowica" [where a group of reactionary Polish nobles colluded to oppose the Polish Constitution of 1791 and invited a Russian invasion in "defense" of their oligarchy] also one of your steps toward independence?

[Roman] I think the question would sound better this way: "Did the recent June elections bring us even a little bit closer to independence?" We couldn't go to that farce they call elections, because they were decided in advance that 65 percent would go to the permanent nomenklatura and, in the election for "president" (please print the word "president" in quotation marks) to the person responsible for declaring martial law.

In our opinion it is at least immoral (if one cannot call it treason) to make deals with those who [passage deleted from original and replaced with notation: Law of 31 August 1981, "On the Control of Publications and Performances, article 2, point 3 (DZIENNIK USTAW, no 20, item 99, with later amendments)]. Therefore, we had to react to those elections that way and no differently, because we did not want to legitimate the Communist system by making deals with it.

I will even say that we did not let ourselves be sucked into the subsequent quibbling of the weak authority that is falling even now, which wants to perpetuate its existence at all costs and which will shrink from nothing to

save itself. We can conquer it only by following a consistent policy, not by mindlessly rolling over. The figure of Mikolajczyk, or of Walesa defeated along with all of Solidarity in 1981, is instructive to us.

[KONFRONTACJE] You have no love for Walesa ... At the Mass on the ninth anniversary of [the] August [strikes] you did not make a good impression on "his people."

[Roman] As far as I know, Pilsudski's marksmen entering Congress Poland in 1914 didn't make a good impression on anybody, either... Walesa, he's a sort of a ... modern-day Wielopolski [Alexander Wielopolski, high-ranking nineteenth-century Polish politician who, in order to avert popular uprisings and revolts, pursued a policy of conciliation with the Russian Czars, securing modernization and Polonization in many spheres of activity at the expense of the peasantry and the dragooning of Polish into the Czarist army]. Who nowadays among our people would have the audacity to praise Wielopolski's politics? Sure, the margrave's contemporaries put a lot of hope in his politics for a long time, but after the 1863 uprising broke out the Wielopolski star went out violently. We are only reminding people about that. Oh, and how much did Dmowski and the National Democracy lose on its pact with Russia?

So we repeat that the politics of conciliationists has always brought defeat, sooner or later. Later, its authors, who turn out to be the unwilling henchmen of the partitioning powers, were the laughingstock of public opinion. And we expect the same from a person from whose activities the Communists derive such great benefits! They took advantage of the split in the opposition and made themselves credible by cooperating with the most conciliatory and loyalist wing. The disinclination to relegalize the NSZZ Solidarity and the creation of a neo-Solidarity with new bylaws that lacked a right to strike by Mr Walesa was also convenient for them. So a lot of sins were committed and even the Nobel Prize can't hide them from us.

[KONFRONTACJE] Jozef Mackiewicz, who believes that any opposition or dissidence within communism is under the precise control of that very communism, has won many of your people's hearts. That's a kind of opposition that makes only a communist system better.

[Roman] That's true. In my opinion, a quasi-opposition reigned in Poland for many years. It was mostly of Marxist provenance, for example the leftist lay group Workers' Defense Committee (KOR). That "opposition" ("opposition" in quotation marks, obviously) never intended to overthrow the system, aiming only to reform it. And that's how it was, as long as a portion of society was unable to get out from under the control of the communist authorities. That means us, among others; rightist-independence currents who reject communism entirely.

Jozef Mackiewicz once said that a day is coming when everybody will get bored with fraternization and compromise [passage deleted from original and replaced with notation: Law of 31 August 1981, "On the Control of Publications and Performances, article 2, point 3 (DZIENNIK USTAW, no 20, item 99, with later amendments)]. In our opinion, that day is already upon us.

[KONFRONTACJE] Are you against communism in general? ("God save us from communism" ...)

[Roman] That's a beautiful slogan from the vignette, "Marksman," an FMW writing in... Chojnice, which is part of the Eastern Pomerania region. Obviously we do not assent to the ideology, which all by itself bears fruit in terror, oppression, and an absence of democracy. And those are not just the perversions. We can find them in Marx ("a permanent revolution, without end, for its own sake") as well as in Lenin ("dictatorship of the proletariat") [passage deleted from original text and replaced with notation: Law of 31 August 1981, "On the Control of Publications and Performances, article 2, point 3 (DZIENNIK USTAW, no 20, item 99, with later amendments)].

[KONFRONTACJE] You recognize a government that governs none. I think of the London government [Polish government-in-exile in London during World War II].

[Roman] Let me clarify that that was not the London government, but a Polish government in exile. That government led our people through the war years. It does not matter that the people in it are not the same people. It does not matter that it is poor and not recognized by the opportunists of the world. We recognize it, despite its limited opportunities for action. Because it represents the legality that was taken away from the regime in Warsaw. We see it as a symbol of the sovereign authority whose return to our country should be facilitated so that it can transfer its powers to a newly elected government and parliament in the truly free elections that can only take place in an independent Poland. (Please always capitalize "Independent").

[KONFRONTACJE] To date, you have been the authors of several "smoke-outs" which, despite the shouting and rock-throwing, have accomplished nothing.

[Roman] The demonstrations are the most visible form of our activity. They sometimes allow us to show others, in a very clever way, that there is somebody who is not afraid to talk out loud about people's problems. And we throw rocks only in self-defense. When the police do not intervene, the demonstrations generally go off peacefully.

[KONFRONTACJE] Are you turning to the West for assistance?

[Roman] We have never begged for dollars like our communists, who write a receipt for Poland and turn

them over in interests foreign to her. We support ourselves primarily by printing, and we also have a lot of friends in our country and abroad.

[KONFRONTACJE] How many of you are there?

[Roman] That's hard to answer, because we don't keep any records; anyway, we operate as a conspiracy. We can be seen not only at schools, but at colleges and among young workers in the shops. We know that about a thousand people are associated with us. And we don't include sympathizers in that number. But we will not be a mass organization. The Federation of Fighting Youth should have an elitist character.

[KONFRONTACJE] What are you doing personally, you, one of the leaders of this elite, besides being active in the Federation?

[Roman] I was trying to learn, and now I am trying to study at the college level. Though it's hard to reconcile studying and activism. So I have some catching up to do.

#### KPN Origins, Philosophical Base Described

90EP0135B Warsaw POGLAD in Polish  
Sep 89 pp 23, 28

[Article under rubric "From the Political Geography of the PRL"]

[Text] The KPN [Confederation for an Independent Poland] is the largest and the longest operating oppositionist party in the PRL. It is centrist and independence-oriented in nature and harks back to the Pilsudski tradition. The KPN directly emanates from the unformalized opposition which arose after the disbanding of the Home Army [AK] and the breakup of the Freedom and Independence [WiN] organization. The political and moral authors of this current include Gen Roman Abraham, commander of the Polish cavalry from 1939, Gen Mieczyslaw Boruta-Spiechowicz, later cofounder of ROPCiO [Movement for the Defense of Human and Civic Rights] and three of the former members of the AK Main Command [KG]: Col Kazimierz Pluta-Czechowski, Col Jozef Szostak and Col Ludwik Muzychka (who was also in the WiN KG). Andrzej Szomanski was also a WiN soldier, later a member of the KPN Political Council and for many years a PRL political prisoner (he died after being freed from prison in 1987). The post-AK movement led to the secret Independence Current (NN, Nie [No!]) at the turn of the 1960's decade. The current publishes the periodical U PROGU [At the Threshold] and conducts journalistic and inspirational activity, likewise utilizing the legal channels of mass communication. The NN Historical Campaign Directorate, in which the future KPN leaders Leszek Moczulski, Andrzej Szomanski and Jerzy Lojek were among those participating, dealt with denials of history and with remembering the independence tradition. "Program 44" (6 August 1976) was a fundamental political document of the current containing 44 theses sketching out the program of the struggle for independence. Included

among them is the creation of the free union movement. Since the announcement of the program, the activists of the current (and then of ROPCiO and the KPN) have been continually persecuted, imprisoned and thrown out of work. The first KPN trial showed that by 1980, Leszek Moczulski had been arrested more than 90 times. The other activists of this movement were subjected to similar repressive measures.

Formally, the KPN was the outgrowth of ROPCiO, which arose in March 1977. (Its leaders were L. Moczulski, A. Czuma and A. Szomanski; its publication was OPINIA).<sup>1</sup> The creation of the KPN was announced on 1 September 1979 during an independence manifestation at the Tomb of the Unknown Soldier in Warsaw. In place of imprisoned KPN chairman Leszek Moczulski, Nina Milewska, KPN activist from Gdansk made the announcement. On that same day, the KPN Ideological Declaration was disseminated. Its leading idea was the following statement: "The PRL, which is ruled by the PZPR in a totalitarian fashion, constitutes the contemporary form of institutionalized Russian authority over Poland."

Composed of the majority of ROPCiO activists, the KPN also included the members of several autonomous oppositionist groups, such as the National Union of Catholics (Szeremietiew, Stanski and others);<sup>2</sup> the Polish Socialists' Accord Movement, the Christian Community of Working People. Regional groups also joined the KPN: the Lublin People's Group (Zdzisława Jamrozka), the Siedlce-Podlaska People's-National Group (Zygmunt Golawski) and also the Józef Piłsudski Social Institute for National Remembrance, formerly associated with the NN Historical Campaign. For the most part, these were small groups, some composed of as few as a dozen persons, which were opposed to the PZPR and also to the secular leftists who organized the KOR at that time. During the ferment of 1980-81, the membership of the KPN reached almost 50,000 members and sympathizers, primarily in Śląsk and Krakow. At that time, the KPN was composed of the Warsaw National Workers Movement, the Polish Social Democratic Party and the Polish Christian-Social Party. In September of 1980, Moczulski was arrested again, and by January 1981, other KPN leaders were also arrested. The 169-day trial which was begun that year, the longest political trial in Poland's history, ended with Moczulski's being sentenced to 7 years in prison, with Szeremietiew and Stanski receiving 5 years and Jandziszak receiving 2 years in prison. In the atmosphere of terror that followed December 1981, there was a drop-off in KPN membership and the numbers dropped below 1,000 persons. Then A. Szomanski and K. Krol (the youth head of the KPN) assumed KPN leadership. They focused on training and publications work (PRZYSLOSC POLSKI, NIE, GAZETA POLSKA and DROGA; STRZELEC, edited by K. Krol, for young people). In the fall of 1984, when the KPN leaders were released from prison by virtue of the amnesty, the rebuilding of the party began. The progress of this process was disrupted by a second

imprisonment of KPN leaders in March 1985. At the second KPN trial in 1985, Leszek Moczulski was sentenced to 4 years in prison and the other leaders (Szomanski, Krol, Wojcik and Słomka) were sentenced from 2 to 2 1/2 years. They left prison in 1986. In spite of the liberalization of internal policy, KPN continues to suffer from repression. This, the largest oppositionist party in the PRL, is also the most persecuted party.

At present, the KPN numbers 5,000-6,000 members operating in 12 areas: Warsaw, Katowice, Krakow, Łódź, Lublin, Szczecin, Toruń, Poznań, Wrocław, Rzeszów, Gdańsk and Białystok. The Congress is the chief authority of the KPN. It establishes the plan of activities, selects the leadership and passes program documents. The Political Council (chaired by L. Moczulski) stands at the head of the KPN and the Current Activity Leadership (KAB) directs current work. Harking back to the AK tradition, the KPN divides its field of activity into areas, and then further divides these into districts and regions. Issues commissions have been created, which include the following: program, foreign contacts, cooperation with the opposition, publications, youth and finance. The KPN conducts training courses (the KPN Summer University has been in operation since martial law) and promotes academic and literary activity (stipends and awards). The KPN publishes approximately 30 periodicals, of which the most important are DROGA, which has been published since 1978, GAZETA POLSKA, begun in 1979 and, of the local papers, WOLNY CZYN (Katowice) and the Krakow OPINIA, published since 1978.

Wydawnictwo Polskie is the central publishing house of the KPN. In addition to program documents (materials from congresses, the documentation of political trials and the like), it has also published J. Piłsudski's "Pisma wybrane" [Selected Writings], T. Kutrzeba's "Wyprawa kijowska" [Kiev Expedition], Col Szostak's "Wspomnienia" [Reminiscences], Moczulski's "Rewolucja bez rewolucji" [Revolution Without Revolution] and "Trzecia Rzeczpospolita" [Third Republic], Lukaszow's "Narody ZSRR" [Peoples of the USSR], Urbankowski's "Rozdarty świat" [A World Torn Apart], Krol's "Program dla Gorbaczowa" [Program for Gorbachev] and others.

#### Footnotes

1. Following the 1978 split, A. Czuma's group has stayed with OPINIA and Moczulski's group is publishing the Krakow OPINIA and DROGA. In the June 1979 issue of DROGA, Moczulski's "Rewolucja bez rewolucji" appeared. It contained a program of political, evolutionary struggle for authority, a program later adopted by the KPN. The takeover of authority from the communists is divided into five phases: (1) the creation of autonomous social groups and unions; (2) the building of a political infrastructure—the emergence of parties and political associations from the union movement; (3) the formation of the Polish Political System [PSP]—the

creation of parties, a parliament and institutions doubling state authority; (4) a period of diarchy—the boycott of state institutions and the concentration of political life on the PSP side; (5) the assumption of authority and the proclamation of the Third Republic.

2. This was a group of secessionists from PAX who opposed the regime. In 1985, this group split from the KPN, creating the Polish Independence Party.

### Emigre Journal Moves From West Berlin to Warsaw, States Agenda

90EP01354 Warsaw POGLAD in Polish  
Sep 89 pp 1A-1B

Editorial Statement under rubric "Between the Lines" by Edward Klimczak in West Berlin and Jerzy Szczesny in Warsaw: "POGLAD From Berlin to Warsaw"]

[Text] We are coming home.

After a 9-month absence, we are once again publishing POGLAD. The publication is not being reborn in its original birthplace of Berlin, but in the capital city of Warsaw. It is here that most of the content and graphics are prepared and here that POGLAD is printed and sold. The publication is no longer a Polish emigre publication from West Berlin that publishes authors from inside Poland and that reaches Poland in limited runs or by means of in-Poland reprints. From this issue on, POGLAD is a Polish periodical in Poland that will publish as well authors from the diaspora, bringing their world to us Poles. The editorial offices in West Berlin will keep us in contact with these authors. Through its Berlin bureau, POGLAD will reach its readers in the West.

Will this be as difficult as the sending of POGLAD to Poland was for many years? We ask understanding and patience of our readers in the West right at the outset. Much water will flow down the Wisla before POGLAD obtains its right of circulation. For the present, it is a second cycle publication. We would, after all, be hard put to submit for approval by the censors of Mysia or Rakowiecka streets the copy written by our authors living in Paris, New York, Bonn, Munich or Oxford. We also do not see any need for that approval for articles originating in Warsaw, Krakow or Wroclaw.

Berlin is likewise responsible for the layout (oh, that electronic equipment and those computers, printers and reproducing cameras—a sigh from your editor, J.Sz.).

We are coming home, that is, we are returning to the old formula of our publication, understood as a political magazine, this time with a slightly enlarged format, of the typical magazine type. Rebirths are difficult. If former readers do not find in this issue reviews of new films and books or the emigre chronicle, it does not mean that we are giving up that coverage. We will be back with it in succeeding issues.

We are reactivating POGLAD in a new political situation in Poland. It is no longer necessary to defend Solidarity, a task that we had for many years since the declaration of martial law. POGLAD in Poland is not connected with any political group or any party—future or present. As independent journalists, we shall record, represent and comment on the attitudes and choices of contemporary Poles in the same way that DER SPIEGEL, TIME and L'EXPRESS do—critically, independently and beyond and above party in our manner. Honestly and objectively. According to the information, strength and talent that we possess. Fairly.

What we have opted for politically is contained in many international conventions that stand for the sovereignty of nations, respect for the rights of man and cultural and religious traditions. The government of the PRL was also a signatory to those conventions. We do not want a bloody revolution, we think that no one should be fired upon—unless it be with words and arguments. We realize that in the governing apparatus that has been in operation up until now there are those whose professionalism and ability can and should be put to use in post-communist Poland, for her own good.

Our most important option is for the sovereignty of Poland. That option will determine the direction of our publication until sovereignty becomes a fact.

What do Poles think about the roads to the independence of our country and the freedom of our society? Who proposes and what sort of road does he propose? What are the intentions of all the people, structures and organizations that want to do something with today's Poland? What do they want to change? And how? And above all, HOW?

That is just what we want to publish in the columns of POGLAD. We believe that the choice of a road to a normal Poland will not be determined by personal sentiments, phobias and prejudices or predilections. Public opinion will decide about that choice and so will the electorate, which is already assessing current progress, concepts and political ideas.

As of this moment, we submit ourselves to that opinion, that evaluation and control, as we count upon our old and new readers, asking for their understanding and good will for our continued task as a second cycle publication.

### Glemp on Redefining Church's Role

26000003P Munich SUEDDEUTSCHE ZEITUNG in German 28 Sep 89 p 8

[Interview with Cardinal Josef Glemp, primate of Poland, by Thomas Urban; in Warsaw, date not given; "Jewish Protests Injure Our Dignity"; first paragraph is SUEDDEUTSCHE ZEITUNG introduction]

[Excerpts] For eight years Cardinal Josef Glemp has headed the Catholic Church of Poland. During this

period the successor of the combative Stefan Wyszynski was adept at asserting the position of the Church in the face of the recently replaced Communist leadership. For the last six weeks the discussion of a new role for the Church in a pluralistic society has been overshadowed by the controversy surrounding the Carmelite convent at the outer walls of the former Auschwitz concentration camp. [passage omitted] Thomas Urban spoke with the primate at his Warsaw residence.

[SUEDDEUTSCHE ZEITUNG] Up until just a few months ago one spoke of the "societal triangle" of Party-Solidarity-Church. Would you now redefine the role of the Church in this period of political upheaval?

[Glemp] For a time the Church was part of this triangle. The expression of this was the meeting between Jaruzelski, Walesa and myself on the fourth of November 1981. But there were also times when the Church stood alone against the Party and the regime. From the fifties to the eighties the Church alone had to serve as the reminder of freedom and rights for others as well as for itself. Today the situation has changed, just as we had wished: in society people are again the subject, various societal organizations are coming into being; what is developing is what we call democracy.

[SUEDDEUTSCHE ZEITUNG] What does this mean for the Church?

[Glemp] Today the role of the Church has become a normal one. It corresponds more to the mission of the Church as it exists in the West—but this also means that the Church must now speak out on many issues.

[SUEDDEUTSCHE ZEITUNG] Along with the Party is not the Church going to be the major loser in this societal revolution?

[Glemp] The liberalization now taking place is a challenge for the Church. It involves above all seeing that people do not devote themselves solely to worldly matters; it means raising moral standards, strengthening family unity, everything that goes to make up the ethos of society.

[SUEDDEUTSCHE ZEITUNG] During the election campaign last spring, many priests voiced their support for Solidarity from the pulpit. What is your opinion on that?

[Glemp] The Church has never instructed Catholics on how they should vote. Many priests did, however, tell their parishioners how they themselves were going to vote, and that one should vote. That was a question of civic conscience.

[SUEDDEUTSCHE ZEITUNG] How will relations with the new government evolve? The premier, Mazowiecki, has already been reproached in Church circles for being too liberal.

[Glemp] I have not heard any such reproaches. Certainly we support Tadeusz Mazowiecki.

[SUEDDEUTSCHE ZEITUNG] One of the first demands of the Church to the new government is for the prohibition of abortion. Do you consider such a law to be politically and socially practicable?

[Glemp] The Church wants to realize far greater plans than just the repeal of the law on the termination of pregnancy. This law was only one of the errors which diminished the respect for human life. We simply want to defend human life, and this the Church will always do. [passage omitted]

#### POLITYKA Weekly News Roundup

90EP0085A Warsaw POLITYKA in Polish  
No 40, 7 Oct 89 p 2

[Excerpts]

#### National News

After a sharp debate, the Sejm adopted the government's proposed law changing the management of the state budget in October and a law changing the budget for 1989. The Sejm accepted an increase in the budget deficit by another 1.5 trillion zloty and set the deficit at the end of October at 4.9 trillion zloty.

Malgorzata Niezabitowska, the new government spokesperson, held her first press conference. She presented her program of activities: she intends to hold press conferences as frequently as needed and whenever possible on a specific subject with the participation of experts and ministers. According to tradition, RZECZPOSPOLITA (29 September) published the transcript of the conference. Some of the detailed items. On censorship, in 1988, it intervened 2,528 times, an increase of more than 13 percent over 1987; this year, the trend has declined. For example, in August 1989, the censors intervened 62 times; in August 1988, 198 times. "As regards the intentions of the government, it will strive to end censorship, but in an evolutionary manner." On sales of paper, according to the provisions settled at the round-table beginning 1 January 1990, a market system for paper is to be introduced. In the current situation, however, "rationing must be retained, and the government will only change the distribution system so it is more just and reflects the true relations of social forces." From her response to a question about the items censored recently: "The majority of the six interventions of the censors concerned matters associated with military secrets. One concerned a caricature, and one a statement by Michnik on the GDR." What is the future of the Polish Press Agency? "It is a government agency; changes in all areas, political, personal, and structural will occur in the agency, but it will be a calm, slow process." On television: "We know that television is to be pluralist; just how that will appear in practice obviously depends on Andrzej Drawicz." On the conflict at TYGODNIK SOLIDAROSC surrounding the naming of the new editor in chief: "I think that Lech Walesa and the National Executive Council had the right to change the editor in chief; however, the way in which it was

carried out bothers me and offended the editorial staff. Lech Walesa said that he is prepared to apologize to the staff, but not to change his decision." Will there be any changes in the heads of the regional broadcasting and television centers? "We are not planning cleansing operations in the publishers or the television, nor in the state apparatus; the criteria of competence and obviously loyalty will be decisive in every case." What are the causes for the removal of the editors Zakrzewski, Tumanowicz, and Baranski from television? "That is not a question for me, but for Andrzej Drawicz. It seems to me that they did not have his confidence."

The PSL Deputy Club has been formed in the Sejm; eight deputies have announced their membership.

Beginning 1 October 1989, prices for train tickets and passenger tickets in motor transport will increase; the former by 50 percent; the latter by an average of 40 percentage. On 5 September, new customs duties for automobile parts and high-alcohol content beverages (20,000 zloty per liter) will go into effect. Monthly fees for radio and television will also increase.

The OPZZ rejected both variants of the government proposal for revising the law on wage indexation. The Executive Committee, which met on 30 September 1989, decided that acceptance of amendments substituting simple compensatory indexation for general indexation would deprive the majority of the workers of indexation payments for price increases during the third quarter. Given the high rate of price increases and the further increases announced, the OPZZ Executive Committee demands the government take immediate steps to defend the living standards of the working people, pensioners, and retirees. [passage omitted]

GAZETA WYBORCZA (29 September-1 October 1989) published "Documents: Poland-Romania." On 19 August 1989, the ambassador of the People's Republic of Poland in Bucharest was called to the Romanian Ministry of Foreign Affairs where he was given a verbal declaration that the Romanian authorities are following the situation in Poland "with great interest and concern." "Permitting Solidarity to come to power contradicts the scientific revolutionary conception of the building of socialism and serves the most reactionary imperialist circles," the Romanian authorities "cannot consider it just an internal affair of Poland. There are opinions that it concerns all of the socialist countries" and constitutes "a serious blow for the Warsaw Pact." The Romanian authorities believe that based on the PZPR, the OPZZ (7 million members) and other progressive democratic forces, together with the military a "government of national salvation—for the preservation of socialism in Poland" should be formed. This declaration was conveyed to the ambassadors of the Warsaw Pact countries. GAZETA WYBORCZA also prints the response of the PZPR Central Committee Politburo to the above declaration. "We believe that our Romanian comrades have no basis for making this type of judgment. The composition of this Polish government and its

configuration are exclusively the internal affair of our people. All attempts to undermine this principle from outside contradict the basic standard of international law—non-intervention in the internal affairs of other states." The Politburo rejects the Romanian accusations and emphasizes the PZPR policy "in Poland's peculiar conditions is the only correct one and there is no alternative." TRYBUNA LUDU printed the declaration of the Central Committee spokesman on the publication: it was done "without the knowledge or agreement of the PZPR Central Committee. We oppose using this exchange of views to confuse relations between our parties and states, since it can only harm Poland."

**In the PZPR Voivodship Committees.** The fulltime party apparatus has been reduced by 30 percent in Nowy Sacz. Fulltime secretaries are being replaced by volunteers in small gmina organizations. In Torun, a resolution permitting the party rehabilitation of party members at the Copernicus University during the formation of horizontal structures and restoring membership to Prof Wieslaw Lang, one of the founders of that movement, was adopted.

Andrzej Szczypliński has been elected president of the Polish-Israeli Friendship Society.

Units of the Motorized Reserve of the Citizens' Militia [ZOMO] are to be dissolved according to a decision of the minister of internal affairs; however, in 22 voivodships, prevention units of the Citizens' Militia [MO] are being formed; they are to specialize in patrol service, protecting law and order. [passage omitted]

#### On the Left

A delegation of the Hungarian party (MSZMP) did not join a joint communiqué of a conference of the secretaries for international affairs of the central committees of the communist and workers' parties of the socialist parties (26-28 September 1989 in Bulgaria). Some of the points did not suit the Hungarians: the communiqué speaks, for example, of tasks of strengthening socialist ownership; the MSZMP, however, has set itself the task of creating forms of mixed ownership and a true market economy.

The proposed state plan for 1990 presented by deputy premier Voronin at the session of the USSR Supreme Soviet has been judged an "extraordinary change" in proposals in planning industrial development. The first item in the speech were not tons of raw steel and cubic meters of wood but goods for the people. A commentator for PRAVDA emphasized the great structural shifts in all industries.

A special act of the Soviet parliament is to confirm the annulment of the Ribbentrop-Molotov pact and other Soviet-German agreements of 1939-41; the secret protocols are to be judged as illegal and void from the very beginning. That is the recommendation presented by a commission of the USSR Congress of People's Deputies. The commission will continue its work on the legal

evaluation of the direct consequences of the Ribbentrop-Molotov pact. However, the commission's conclusions, although prepared in the middle of July, have not been officially published. According to Prof Yury Afanasev, the commission has been subjected to various pressures. Further, he claims: "We people's deputies of the USSR are deprived of authority today."

A group of scholars from the Soviet Institute of the State and Law has come out in PRAVDA in support of the proposal to "renovate" the declaration and contract forming the USSR. The proposal was made at the first Congress of People's Deputies. Signing the new federation contract, the scholars write, would be an open, serious recognition and confirmation of the voluntary union of the republics in one united, federation state.

The United Front of the Working People has been formed in the USSR: according to the organizers, it is "to organize the healthy, communist forces in the party," those dissatisfied with the activation of the liberal forces in that party. The front calls for continuing central planning and opposes introduction of market mechanisms into the economy and the privatization of land.

"The upcoming MSZMP congress (6 October 1989) will perhaps be an historic moment for that party and for the German Social Democrats' Godesberg program, thanks to which the SPD will again become the governing force," said Imre Pozsgay in a press interview. Pozsgay, considered the leading Hungarian reformer, stated that the MSZMP will become a socialist party and "will cease to be a communist party in the bolshevik and Stalinist meaning of the word." [passage omitted]

#### Opinions

*Gabriela Rembisz, a member of the PZPR Central Committee Politburo, on the Initiative of 8 July:*

(GAZETA POZNANSKA 15 September 1989)

"I see two "birth defects" in the original proposals of the platform of the 'Initiative.' The first of them is the collision between the proposed full, un-manipulated democracy ('the entire internal life of the party, the method for selecting personnel and the party elite should be based on free competition among programs, conceptions, views, and personalities') and the attempts at an 'ensured distribution' of personnel positions ('A program conception within the party, which gains in voting and elections, for example, at local conferences, at the Congress, etc., at least 20 percent of the votes has the right to 30 percent of the membership of the party officers elected at the Congress and conferences.''). The second is the authoritative declaration that the 'Initiative of 8 July' is—in opposition to the party apparatus—'a reform movement,' which bears the burden of rebuilding the leftist party." [passage omitted]

*Wladyslaw Serafin, PZPR deputy, fruit grower:*

(From a comment made during a discussion with the editorial staff of TRYBUNA ROBOTNICZA 25 September 1989)

"The party needs at least as many young people in it as there are in our club. I think that it has sufficient reserve personnel for the essential rotation of personnel. Without insulting those individuals who have served in party work, without questioning their role in stimulating the changes, it is essential to introduce new names in the party. Although the old names can and will operate in the opposition for some time, because the history of the formation of that entire movement is associated with them—somewhat like our situation after liberation—we must make changes."

The opinions and views quoted in this section do not always agree with those of the editors.

#### ROMANIA

##### Idea of 'Convergence' of Socialism, Capitalism Condemned

90EB0063A Bucharest ERA SOCIALISTA in  
Romanian 10 Sep 89 pp 37-42

[Article by Elena Zamfirescu: "Doctrine of 'Convergence'—A Distorted View of Socioeconomic Progress"]

[Text] In the context of the current discussions of social progress, peaceful coexistence and the requirements for securing it, more and more ground is being gained by clear viewpoints to the effect that the imperialist policy of force, dictation and interference in other states' internal affairs, hegemonic trends, inequitable international relations, and escalation of the armaments race, especially nuclear, are the main factors undermining detente and peace. On the other hand, many representatives of Western conservative circles interested in perpetuating both capitalism and the international order it inaugurated are circulating ideas more and more insistently to the effect that "abandoning" the very own identity of revolutionary theory and practice is one of the major requirements for peaceful coexistence. Unfortunately authors even in some socialist countries are expressing opinions in various articles and studies that convey the impression that improvement of the international climate is "hindered" by the ideological confrontation between capitalism and socialism and advocate "reduction" of it and "more attention to the elements the two systems have in common."

On the basis of realistic analysis of the world situation, the evolution of which demonstrates more and more emphatically that the capitalist system is incapable of solving the great economic, social and political problems facing mankind and the peoples and that socialism is the only viable alternative for socioeconomic progress, our party realizes that under these circumstances combatting anticommunism, or any subversions of confidence in the

new order's potential for progress, is a permanent component of the revolutionary effort and of promotion of socialism's transforming trend. As Party Secretary General Comrade Nicolae Ceausescu says, "That is why we must firmly oppose ideas of eliminating ideology from international relations and of weakening the class struggle, as well as other antiscientific and antirevolutionary ideas that cause confusion and undermine confidence in the forces of the working class, in the people's struggle for progress, peace and international collaboration, and in the inevitable victory of socialism."

Consistent promotion of revolutionary theory and practice requires a critical attitude not only toward manifestations of procapitalist ideology that are openly hostile to socialism but also toward its more "subtle" forms, the actual message of which (often dissimulated in the guise of a "scientific" and "neutral" approach to the current trends of social development) is more difficult to detect at first glance but is ultimately aimed at the same objective, that of undermining confidence in socialism and securing "theoretical" support for attempts to destabilize the socialist countries. Since the doctrine of "convergence" is now prominent again in the series of such measures, the question naturally arises, what are the political and ideological reasons for reaffirming, in new ways, the supposed "confluence" of capitalism and socialism?

#### The Doctrine of 'Convergence' and Its Metamorphoses

In 1970, when the English political scientist Brian Crozier, a notorious adversary of socialism, concluded that "Anticommunism is necessary as a matter of fact, but it is not always good tactics to call it that,"<sup>12</sup> and he accordingly suggested translating the propagandistic procapitalist language from the "raucous and stupid" anticommunism of the "cold war" period to that of a "discreet and intelligent" anticommunism that he considers more effective, a good many of the defenders of capitalism had already taken serious steps in that direction.

The theme of "transformation of the nature of capitalism" began to be substituted by the end of the 1950's for glorification of the "virtues" of capitalism and condemnation of the system based on socialist ownership of the production means as "contrary to human nature." As for socialism, denial of the possibility of it was shifted to affirmation of its "incidental" character, in other words to the promotion of the idea that "although it is possible it is not absolutely necessary." The supposition was thus introduced that socialism is not a global alternative to capitalism but purely and simply "one of the roads" of access to economic development of the backward countries.

Throughout the 1960's emphasis on the discontinuity between the present and previous forms of capitalism

was the cornerstone of the arguments about the "permanence" of it. In political language the concept of capitalism was almost replaced by the terms "welfare society," "consumer society," "middle-class society" and so on. In its turn, circulation of theories about "overcoming the class struggle" and "the end of ideologies" was a way of accrediting the idea that "the childhood diseases of capitalism" had been overcome once and for all, namely crises, imbalances, inequalities and social conflicts. In short, the Marxist predictions of the historical fate of capitalism were declared "irrelevant."

By making a *sui generis* synthesis of the various arguments whereby all these doctrines maintained that the system based on private ownership had "changed its nature," the doctrine "convergence" also asserted, in its own way, that the revolutionary transformation of capitalism had become "useless" because of the accumulation of more and more indications of the "confluence" of the opposed social systems in a more or less near future. The elements "in common" (the technological-organizational, economic, social, cultural and other ones), which the technical-scientific revolution had helped considerably to accumulate and consolidate, as well as the coexistence of the two systems in a "single international environment" were also presented as factors for "some beneficial mutual borrowing," so that one could no longer speak of a historical succession between capitalism and socialism.

Upon consideration of the diversity of the criteria whereby it is judged that the society of the future will be a "mixed" one, neither socialist nor capitalist, our technical literature pointed out back in the period when the doctrine was launched that there are several main types of "convergentism," namely technical-organizational (J. Tinbergen, J.K. Galbraith), economic (J. Tinbergen, Fr. Perroux, J. Fourastie, W.W. Rostow, W. Buckingham), sociological (P. Sorokin, R. Aron, A. Touraine), political science (P. Sorokin, M. Duverger) and ideological (D. Bell, S.M. Lipset). Meanwhile, as it was quite rightly pointed out, the theorists in question, in the course of the arguments about the "birth of the single society," usually came to refer less to the "confluence" of the two systems than to either the "integration of capitalism in socialism" or the "reorientation of socialism toward capitalism," thereby contradicting the very key-principle of "harmonizing the opposed social systems." It must be added that in general the considerations of "socializing capitalism" were peculiar to the authors who criticized, from reformist positions, the way capitalism is structured and functions, while the pleas for "liberalizing socialism" came from thinkers with anticommunist convictions but who did not think that war was the most advisable way to "absorb" socialism.

In the 1960's the doctrine of "convergence" was a more or less tacit recognition of the viability of socialism and it served, in the case of some of its supporters, as an argument in favor of peaceful coexistence (a fact which constituted a change for the better in the ideological confrontation in the period right after the "cold war").

but the fundamental errors in that interpretation of contemporary historical development cannot be overlooked, and they influence all its variants, including those that are not avowedly procapitalist. That interpretation is tributary to technological determinism or vulgar economism (which divorces the productive forces from production relations and the superstructure from the economic base), it overemphasizes quantitative analysis at the expense of qualitative analysis and form at the expense of essence, and it conveys (especially in the variants that discuss "socialization" of capitalism) a flat evolutionist view of historical progress or denies (in the variants that support the "return of socialism to capitalism") the existence of any regular historical progress.

But the fall of the "convergence" theory into "ideological disfavor" (in the late 1970's, when neoconservatism took over the role of "spearhead" of the justification of the system based on exploitation) was not due to the foregoing flaws but primarily to the fact that, like the other forms of "discreet and intelligent" anticommunism, it could no longer serve the pleas for capitalism satisfactorily when the new phase of the crisis of the bourgeois order set in, and also to the fact, among others, that the various points about "reduction of the ideological conflict" no longer suited the rapid process of "restoring ideologies" to the discussions of ideas that accompanied the rise of neoconservatism. Open anticommunism became the cornerstone of the apology for capitalism again, which is why some authors advanced their term "the second cold war" to describe the change in tone that took place in comparison with the Western ideological output in the interval between the end of the 1950's and the first half of the 1970's. As Maurice Goldring pointed out in noting the significance of this reversion from its very start, "If the battle of ideas is so intensive it is because in a way it is coming to replace other forms of the class struggle, to which capitalism can resort less and less and less, as in the case of armed violence. That explains its intensity. Ideological propaganda has become as important as the military bases."<sup>3</sup> Compelled to accept peaceful coexistence under pressure of the realities and the increasingly strong advance of socialism, the reactionary circles in the capitalist countries are clearly not extending it to ideology too. On the contrary, intensified propaganda against the socialist countries and communism is seen as a way of "recovering," at least partially, the "freedom of movement" that they lost politically and militarily as a means of diversion and of undermining and destabilizing the socialist countries due to the increasingly sustained manifestation of the progressive, democratic, and revolutionary forces throughout the world.

These are also factors that give rise to the legitimate question, what is the significance of the revival of the "convergence" doctrine in this context? Before pronouncing a verdict it is necessary to check whether this is not somehow due to the accumulation of certain objective trends that are making it more pertinent now than it was 20 years ago.

### The Main Fundamental Differences

The very fact that the "similarities" generated by the advance of the technical-scientific revolution in the two systems have been and are main points in the "convergence" theory suggests a first avenue of investigation.

To be sure the distances between the socialist and capitalist countries in the way of technical-scientific development have been appreciably reduced between the 1960's and the present time. But that does not substantiate the theories about a "rapprochement" between the two systems. On the contrary, the main differences and the fundamental opposition between them, which continue to exist and manifest themselves, profoundly influence the social effects of the use of the new technologies. On this subject the Theses for the 14 RCP [Romanian Communist Party] Congress point out that because of the particular conditions existing in the two kinds of societies, "The introduction of modern technology and scientific advances raises labor to a higher qualitative level in socialism, while in capitalism it leads to greater unemployment and to throwing millions of workers out on the street."<sup>4</sup>

As the Italian Marxist scholar Giuseppe Vacca pointed out in presenting the basic deficiencies of technological determinism, on which many of the current scenarios of "convergence" are focused, especially those based on the phenomena and processes included in the term "information revolution," "The chief failing of most of the predictions about the 'information society'...consists of considerably reducing the historical and political aspects of the processes of change and of limiting them to mere functional definitions divorced from the various countries' specific realities.... Nothing allows us to believe that the current technological changes could annul, neutralize or even diminish the historical class options characteristic of the present structure of the societies of 'late capitalism'."<sup>5</sup> Upon examining the social implications of the "information revolution" in the Western countries, the Italian author notes that so far from an absorption of the nonegalitarian structures it is becoming increasingly apparent that "both the conception and the control tend to be concentrated in the hands of a very restricted group at the peak of the social hierarchy."<sup>6</sup> The American political scientist Langdon Winner, who is no adherent of Marxism, also points out that "Current developments in the information era indicate an increase in the power of those who already hold a great part of the power, more centralized control for those already prepared to exercise control, and more riches for those who are already rich.... This fact is not surprising. Those in the best position to share in the power of a new technology are most often those who, thanks to their wealth and their social and institutional positions, were in privileged positions before. Therefore if there is going to be a computer revolution the most accurate prediction is that it will be of a pronounced conservative character."<sup>7</sup> The conclusion? "What counts is not the technology in itself but the social or economic system in which it is integrated."<sup>8</sup>

While ridiculing the supposition that the "computer revolution" could, in the absence of any radical social and political changes, "democratize" Western societies, Winner also points out that the ideas about "machine democracy" imply an invitation to political passiveness on the part of those who do not control the new technologies but feel the contradictory effects of using them in relationships based on inequality. In expressing himself about the validity of "the computer enthusiasts' political expectation" he says, "the convictions that widespread use of computers will overthrow the hierarchies, abolish the inequalities, develop participation and decentralize power do not bear careful examination.... The error originates in the conviction that computerizing by itself would inevitably impel society toward a better life without anyone's raising a finger."<sup>9</sup>

Nor have the predictions of the theorists who thought 20 years ago that there would be an "integration of capitalism in socialism" been borne out by the facts in the 1980's. As we know, they were referring mainly to the series of economic, social and political rights acquired by the masses of workers in the developed capitalist countries, especially in the postwar period. But the formation of what was called the "social state" and the relative improvement of the living and working conditions of some nonbourgeois categories was not the automatic result of the action of the laws of the "free market," but to the active intervention of some forces that opposed the logic of it, primarily the political and professional organizations of the working class. On this subject, the Spanish socialist theorist Ramon Garcia recently reminded us that "it is no secret to anyone that the existence of the communist movement was one of the reasons why the European liberals and conservatives accepted the 'social state' as a compromise...."<sup>10</sup> In its turn the socialist movement played an important part in this. Distancing himself from the theory that democracy is the "exclusive" product of capitalism, the same author said, "The idea that democracy is compatible with capitalism alone is unrealistic because the democracy of the capitalist system is largely the outcome of socialist thought and action, which widened the borders of the democratic organization of our society. If there had been no socialist movement, it is doubtful that the capitalist system would have accepted universal suffrage, a principle that is not an essential part of the capitalist view of the world."<sup>11</sup> Accordingly it was the class struggle and not capitalism's alleged "capacity for self-improvement" that led to those socializing factors which, however, were merely superficial changes in capitalism that did not affect its underlying nature or structures.

Despite the loud lamentations of the neoconservatives, who talk about the "social-stateizing" of the Western countries, the changes invoked by the "convergence" doctrine did not change the nature of capitalism as a system based on exploitation and oppression and on profound economic and social inequalities but merely made some corrections in its functioning, which corrections, so far from "endangering" its existence, perpetuated it in a period when the balance of class forces was

more favorable to the bourgeoisie. In clarifying this fact Ramon Garcia Cotarelo quite rightly notes that "the social state... leaves ownership relations intact. The system of private ownership is the absolute limit of the social state."<sup>12</sup> Maintenance of the "genetic code" of capitalism ultimately explains the possibility of "recovering" some of the masses' democratic gains in the present stage of developed capitalism, refuting de facto the speculations about "accentuation of its similarities" to socialism. It is well known that one of the favorite aims of the neoconservative strategy of "revitalizing" capitalism is to "dismantle the social state" viewed as a "body foreign to the true nature" of capitalism and rejected even as a way to attenuate the worst effects of the "unrestricted" operation of the "free market," including mass unemployment, discrimination and "the new poverty" especially.

Even though, in a sense, some of the present Western supporters of the "convergence" theories are critical of the "neoconservative solution" on the ground that some forms of market "regulation" cannot be abandoned without a risk of aggravating the contradictions of capitalism, that does not mean that they are taking anticapitalist stands, because prevalent as it is now in most of the developed capitalist countries, the neoconservative strategy is only one of the possible strategies for perpetuating the social system based on private ownership, and rejecting it is not equivalent to rejecting the social, economic and political system that it defends.

The Report to the Trilateral Commission compiled by David Owen, Zbigniew Brzezinski and Saburo Okita in 1984, wherein reservations about neoconservatism are combined with an express antisocialism, is a graphic example of this. As the authors of the report comment in reproaching neoconservatism because it is satisfied with mere "management of the crisis," "We think the concerted effort to go back to the past would limit growth and would be incompatible with worldwide economic trends... while mere action 'at random' is a dangerous and irresponsible course. Resolution of the economic challenges of the next decade calls for a long-term view and strategies adequate to convert that view to reality."<sup>13</sup> It clearly follows from the following statements that this "long-term strategy" like the neoconservative one implies the "eradication of socialism" "We think freedom, which is essential to democracy, is profoundly incompatible with a state-controlled economy and we do not hesitate to openly reject communism and to try to imagine a global system wherein the communist philosophy is fading away and no longer acquiring new adherents."<sup>14</sup>

Accordingly, not even the withdrawals of certain promoters of "convergence" from the neoconservative "panaceas" can be automatically interpreted as real pleas for a society "different" from capitalism, especially since the discrepancies between the elements of capitalist and socialist origin stand out blatantly, so that the decisive structures of any global social system (production relations and those of ownership especially) would

have to be of capitalist "extraction." Under such circumstances, however ardently the theorists in question would support "the necessary infusion of socialism," it appears more as an ornament.

The procapitalist tone of the "convergence" doctrine is also borne out by the fact that some of its initial variants, by invoking quantitative arguments preferably, presented capitalism as a kind of "standard" of development, further implying its "superiority." Let it be said in passing, the very fact that at a given point some Marxist authors reduced the historical competition between capitalism and socialism to the "previous arrival" of capitalism in the fields of production and consumption favored the predominance of quantitative approaches to the comparison of the two systems. As the Theses for the 14th Party Congress point out, however, a people's standard of living and civilization cannot be judged solely by the material quantitative indicators, however important they are in evaluating a country's degree of development. Distancing themselves from any attempt to narrow the criteria whereby socialism is defined as a new and qualitatively superior method of economic, social and political organization, the Theses say, "The concept of a fully developed socialist country includes areas of vital importance to the workers' existence besides progress and modernized material production, such as improved social and production relations, work of high quality, satisfaction of the masses' basic general requirements, implementation of the civil rights and freedoms, citizens' democratic participation in management of the country, and creation of a new and advanced man and a new way of thinking and behaving on the part of the members of society."<sup>15</sup>

When examined from such a comprehensive viewpoint, the Western societies and especially those leading the development of "peak technology" or in per capita income appear much more imperfect than many of the older and newer theorists of the "convergence" doctrine are inclined to acknowledge. It is significant for example, that J.K. Galbraith, one of the founders of the "convergentist" view, concluded recently that the problem of producing goods and services is not the central problem of present-day capitalism, since it is a task that we are successfully performing. At the same time he felt obliged to acknowledge that "The problem is to guarantee a regulated flow of incomes for all those who belong to the system.... I would like progress to be no longer measured according to growth of the gross national product. I would like it to be measured according to the number of persons who enjoy full rights and are guaranteed a stable position in society." Moreover, in comparing socialism with capitalism he pointed out that social inequality in its manifold aspects is still the main sign of American society's "visiting card," in spite of its high technological development. As Galbraith admitted in a conversation with the Soviet economist S. Menshikov, "we have two problems which you do not have and which we have to solve. First, we have too many persons in the large cities especially who have no

jobs or incomes and who belong to the fourth world, as they say now. I think that is our most important problem. And then, if we take a more general view of the situation, we suffer from a too unequal distribution of incomes, and unfortunately that situation has not been improved lately. On the contrary, it has been aggravated. A very high proportion of our total income is going to a tiny group composed of citizens at the top of the income ladder and a much lower proportion is going to those on the middle or bottom of that ladder."<sup>16</sup>

#### **Anticommunist Propaganda. Attempts To Undermine and Destabilize Socialism**

All these aspects can serve to demonstrate that the "convergence" theories blatantly conflict with both the socioeconomic trends and the political and ideological ones rather than agreeing with the present developments in the developed capitalist countries. Why then have they been reinvigorated in the last few years? One of the hypotheses would be that their reintroduction is primarily due to the efforts to improve the economic and political structures in the socialist countries. This hypothesis is confirmed by the very fact that, in contradiction with the meaning of the term "convergence," theories in support of the "evolution of socialism toward capitalism" are now being circulated primarily.

The multitude of "recommendations" are being made to the socialist countries, among which suggestions to "renovate" and "democratize" by adopting structures and mechanisms of capitalist origin recur insistently, the opinions that restoring private ownership could allegedly help to "overcome the obstacles," and the promises to grant "economic aid" to countries that advance in that direction are lent major ideological support by preferential "republishing" of the expressly procapitalist variants of the "convergence" theory. By contesting the socialist systems in the face of the facts, as well as their ability to develop on their own resources, those theories betray their diversionist purposes and thereby contradict their touted ideological "neutrality."

An edifying example of this is provided by the ostensibly "disinterested" considerations of some authors who almost never use the terms "socialism" and "capitalism" in referring to the socialist and capitalist countries, preferring to talk about the "favorable" effects upon the East-West dialogue that would come from "intensified efforts to re-Europeanize Eastern Europe." Moreover these "partisans of convergence" dissimulate their procapitalist pleas quite ineptly behind the ones for "European unity" by resorting to the arguments of some 19th-century discussions focused on the theory of the "non-European" character of the countries on this part of the continent, and also to the ones intensively circulated in the first half of this century to the effect that the Eastern European countries underwent a process of "quasi-Europeanization" due to "borrowings" of ideas, structures and values of "Western origins." In their opinions, the dialogue and collaboration cannot attain the "desirable parameters" unless the socialist countries

proceed to eliminate the "de-Europeanization" they have shown in the last 4 decades, in other words unless they give up socialism and their revolutionary gains. The "basic" cause of their "departure from the Western tradition" (the chief characteristics of which are considered to be liberalism, pluralist democracy, the market economy and consumer civilization, among other things) is expressly identified with their opting for the new social order. And in conclusion, inasmuch as nationalization of the main production means, cooperativization of agriculture, development on the basis of the Unified National Plan (closely associated with the existence of common ownership), promotion of the Communist Party's leadership, etc. are the "main sources of de-Europeanization" as well as "impediments" to obtaining any "economic aid" from the Western European countries, the "recommendation" (imperative!) is made to "get rid of" these disadvantages, which are keeping the socialist countries of Europe on the "periphery" of the continent.

The ideological purposes of this discourse are apparent. The authors do not hesitate to "borrow" arguments from the arsenal of doctrines justifying neocolonialism and violating the minimum standards of any scientific procedure. But the actual content of the theories they support is not apparent, because diversity of social systems was not and cannot be any barrier to the formation of a united Europe and cooperation on the basis of equal rights and respect for national independence among all states of the continent but is the very premise for such a Europe, since the essential differences between capitalism and socialism are not "incompatible" with a climate of detente, security and peace both in Europe and internationally. That was demonstrated, among other things, by the very experience of drafting the Final Act of the Helsinki Accords, in the case of which the opposition between the two systems was no "insurmountable obstacle" at all to taking steps in the direction of implementing the process of security and cooperation in Europe.

Consequently, making the "dialogue and collaboration" in Europe conditional upon "certain internal evolutions" of the European socialist countries is to be explained mainly as an attempt of the reactionary imperialist circles to exploit "for their own benefit" the efforts being made in the present stage of socialism's development to improve its economic and political structures and mechanisms. Clearly the expression, within some of the socialist countries, of opinions admitting that the "infusion of capitalism" could be allegedly "useful" for "renovating" socialism as well as the abandonment of some basic principles of scientific socialism lend "credibility" directly to suggestions like the foregoing ones and actually serve such attempts.

Another current and expressly procapitalist manifestation of the "convergence" theory is the one in support of a "return" to private ownership, "the free market," profit, the multiparty system, etc. on the basis of the

theory of the supposed "crisis of socialism." The American political scientist Zbigniew Brzezinski is one of its ardent promoters. He expresses the opinion that "economic reforms cannot remedy the existing situation by themselves" and that "political reforms" are also necessary. In specifying what he means by that he comments, "Stopping and remedying the socioeconomic difficulties now confronting the countries of Eastern Europe are improbable [developments] without a considerable political pluralism there." The "liberality of the suggestions" goes even further: "It seems to me that part of Eastern Europe's contribution to the stability of East-West relations should consist of the Eastern European's right... to replace socialism if they wish to do so."<sup>17</sup> In other words, instability of the socialist countries and their possible "restabilization" on a capitalist basis are "desirable" requirements for East-West collaboration. Preaching that kind of "convergence" in which the change can go in only "one direction," that is from socialism to capitalism, is not in the least surprising in Brzezinski's case, because as an avowed adversary of socialism he has made the fight against it a profession of faith. He followed it in the years of the "cold war," when he militated for a "hard" policy on the part of the West toward the East, and he remained faithful to that even in the following years, when he represented himself as a partisan of the "dialogue and understanding between East and West," obviously provided that the socialist countries give up their social-political identity.

#### **Viability and Superiority of Revolutionary Theory and Practice**

The correctness of the revolutionary theory and the fact that it is not a mere "Utopian scheme" are validated by social practice itself in the last part of the 20th century. As contrasted with the experiments, very limited in space and time, of the Utopian socialists, the new order based on the principles of scientific socialism has become a basic reality of the present period. The revolutionary changes brought about some notable progress in a short historical time in the economic, social, political, and cultural development of the countries that took the path of socialism. To be sure that process has not been and is not free of difficulties and contradictions due both to instances of subjectivism in planning and management of the task of socialist construction in one country or another or inconsistent application of the general laws and principles according to the specific historical conditions, and to certain unfavorable objective internal and external conditions.

In spite of those circumstances, the development of socialism on its own bases led to growing assertion of its potential for progress and of its superiority over capitalism. The sustained efforts of more and more socialist countries to improve their social and production relations and to develop democracy bear witness to the fact. In view of all this it is not surprising that in just such a period the circles hostile to socialism, no longer being able to openly contest the innovative qualities of the system based on public ownership of the production

means, are trying to distort the directions of that process, bringing pressure to bear of a kind to facilitate reintroduction of some elements of capitalism in some of the socialist countries at least, if not in all of them. In this way two objectives could be accomplished at once, namely "demonstrating the need of capitalism" on the part of socialism and dividing the socialist countries, both being essential components of a regular strategy for destabilizing and undermining socialism in order to "absorb" that "hindrance," which fundamentally questions the "permanence" of capitalism. In explaining the risks of this possible "reorientation" in various socialist countries the English Marxist Robin Blackburn stated, "I am very concerned because it sometimes seems easier to adopt a capitalist mechanism than to make the more difficult choice of developing socialist democracy further. But if the 'easy way' is taken its fatal consequences will follow, that is class divisions, inequality, oppression and exploitation will develop again."<sup>18</sup> That is one more agreement that in the present stage of the socialist countries' development "more" and not "less" socialism is needed, and orientation toward the future and not toward the past.

The aggravated contradictions of capitalism, both national and international, are moreover the most cogent evidence that not even the problems of that form of social organization can be solved any longer by capitalist means. "The neoconservative formula," the most regular attempt to "balance" the bourgeois order by solely capitalist means, has had consequences at the antipodes of its promises. As two British socialist theorists point out, "When the 'new conservatism' is examined from the decisive standpoint of its effects upon most of the population in the countries where it is making itself felt, it proves to be a terrible failure in any of the Western societies wherein it has come to power.... It has aggravated poverty, strengthened repressive state mechanisms, encouraged managerial authoritarianism, provided a climate favorable to 'casino' capitalism (financial-banking speculations—our note), and depended on the armaments race to stimulate economies. The balance sheet of the years of the 'new conservatism' has been in power can be summed up as follows: The respective societies have become less egalitarian, more violent, more inhumane and more susceptible to crisis."<sup>19</sup>

These consequences of neoconservative practices also cast dark shadows of doubt on the theoretical precepts on which they are based. When compared with reality the statements of one French theorist enamored of "reprivatization" and "deregulation" (whereby mathematical models used in the economy prove the "scientific superiority of 'invisible hand' or individual initiatives over the central authority") are totally discredited, while his "verdict" ("If the 'spontaneous order' of liberalism is scientifically accurate, socialism becomes an intellectual error or rather the error of the intellectuals, 'their fatal vanity'"<sup>20</sup> proves to be more than a declaration of dedication to the "spontaneous system" of capitalism. Note that the theoretical fragility and scientific

irrelevance of the respective view are being brought out more and more regularly, even by non-Marxist thinkers.

In stressing the injustice done to Adam Smith by the almost mystical invocation of the "invisible hand," J.K. Galbraith pointed out not long ago that the author of "The Wealth of the Nations" "was not in the habit of resorting to supernatural entities in his arguments...and in our period the market has actually acquired a theological status of which Smith would not have approved."<sup>21</sup> In reviewing the conclusions in some recent works that take up the question of the "invisible hand" directly or indirectly, the Italian journalist Giuseppe Pennisi commented in a provocative article entitled "The Invisible Handshake Behind the Market" that besides Galbraith other great contemporary Western economists such as Arthur Okun, Kenneth Arrow, Tjalling Koopmans, Giorgio Rodano, Herbert A. Simon and Oliver Williamson, some of whom had supported this theory before, have been displaying an attitude at least of skepticism lately, if not one of total rejection, toward its explanatory qualities and accordingly toward the existence of any factor for "spontaneous regulation" of the economy and, by extension, for that of the whole social system. In one way or another they come to the conclusion that the "invisible hand" is like... "the emperor's new clothes" in Andersen's well-known tale, being able to be "invisible" purely and simply because they do not exist. The conclusion? The capitalist economy does not regulate itself but is regulated. How and by whom are indicated, for example, by the studies made by the American economist Arthur Okun, whose findings were systematized in his last work (published posthumously in 1981), "Prices and Quantity." Essentially he maintains that "It is not the market's 'invisible hand' that is in the center of the capitalist economic systems but the 'invisible handshake,' which seals the hidden pacts between friends (or accomplices). It is a handshake that is the more powerful the less visible it is and, unless it is regulated and revealed, it captures the public power and takes possession of the economic policies in order to shape them not in the interest of the community but in that of those who clasp their right hands with the most strength."<sup>22</sup>

Accordingly the "mystical" dedication to the "free market" proves to be inspired less by its supposed "efficiency" in securing the economic and social "balance" than by the fact that it establishes and maintains the unequal social relations that permit capital to shape society in accordance with its own narrow interests. Under such circumstances it is no wonder that the theories that lend those relations the aura of "the very logic of history" proliferate on capitalist ground. But even the efforts of the ideologists and strategists of the system based on private ownership to "help history" remain in the structures of capitalism cast critical doubt on the hypothetical "harmony" between that kind of social organization and the current requirements of progress.

While in the case of the socialist countries the "reintroduction" of the capitalist market and its mechanisms clothes the more veiled forms of the "recommendations" with propaganda, in the case of "third-world" countries, whose underdevelopment and dependence upon the former "metropolises" make them more vulnerable to the pressures from the big monopolies and/or the transnational banks, the policy of dictation is implemented less circumspectly. Even an admirer of the "progressive role" of the transnational companies like the French historian Rene Sedillot cannot get around the fact that they "operate like conquerors or true colonizers, and their adversaries do not hesitate to reproach them for bringing political pressures to bear on some foreign governments." In indicating the guiding role of some circles in the United States in the antisocialist crusade, the said author relatively accurately interprets some of the most common methods of keeping the underdeveloped countries in the free world's orbit. "They are promised not only dollars but also equipment and technicians. The loans granted them are not blind or entirely disinterested. In order to save the nations to whom aid is granted from the communist peril, the loans are primarily political in nature. They involve certain conditions and guarantees as well as American control. The Americans are especially interested in the developing countries that they need. The map of those countries coincides with the regions producing the raw materials essential to voracious American industry."<sup>23</sup>

Making "aid" conditional upon giving up any form of state regulation of the economy (on the pretext of "the market's unique capacity for stimulating and rationalizing economic activity") ultimately proves to reflect not so much a genuine effort on behalf of the countries caught in the vicious circle of underdevelopment as a profoundly interested effort to counteract those countries' options and attraction for socialism, so that Peter Berger, one of the leading representatives of American neoconservatism and a franker adherent of capitalism than the "convergentists," does not hesitate to acknowledge that "In fact for most people the most important choice of the period is that between capitalism and socialism."<sup>24</sup> In the same trenchant way that leaves no room for "formulas for compromise" he says, "A market economy cannot actually exist without private ownership of the production means."<sup>25</sup>

Such stands on the question of the relationship of socialism to capitalism and on that of the intrinsic tie between the "free market" and private ownership expressly contradict the speculations of the "convergence" theory. Moreover, they show that the "suggestions" to "borrow some mechanisms" of that market are not inspired in the least by "concern" for the "renovation" of socialism but by fear lest the process of improving socialism may shift the "balance of possible options" decisively in its direction. Therefore when it is read carefully the intensified procapitalist ideological offensive proves to be a "most desperate" recourse of what has been quite rightly called the "historical defensive" of capitalism. It is a defensive on grounds that have

been scientifically interpreted by the revolutionary theory and that prove the profound timeliness of the socialist transforming plan. For so far from refuting the objective necessity of the latter and validating the viability of the scenarios of the future with a procapitalist coloring, whether they are the more explicit ones of neoconservatism or the "encoded" ones of "convergentism," the realities of today's world, upon which the irreversible crisis of capitalism is having an increasingly bad effect, require more than ever a transition to the real human history, that in which people purposefully create their own destiny.

In pointing out that "The aspiration to examine, interpret and guide the transition from prehistory to history and from necessity to liberty most profoundly distinguishes Marxism from other forms of criticism of capitalism," the Italian Marxist thinker Luciana Castellina also brings sound arguments to the effect that its truths are constantly confirmed and reconfirmed by social practice. In speaking of the capitalist realities she says, "Today as in the past what brings the radical outlook back to first rank is the crisis of the system, which appears as a tragic reality and as an extraordinary historical opportunity at the same time.... In order to understand this ambivalence it is sufficient to think of the new technologies if nothing else. They can become instrument of more intensive marginalizing and unemployment, even more oppressive control over consciences, even more brutal violation of the environment, and greater subordination and fragmentation. But they can also provide greater efficiency in production..., bringing us closer and closer to enhancement of the process of human liberation. The severity of the crisis we are experiencing is in greater part due to the diverging prospects that it opens up."<sup>26</sup>

The case for radical reforms and structural changes in the direction of socialism, for the implementation of which increasingly clear objective reasons are accumulating within capitalism, but which require the revolutionary plan and practice as a *sine qua non*, stems directly from perception of the "historic obstacle" presented in this stage of mankind's evolution by perpetuation of relations based on exploitation and domination. It is neither "utopian" nor "failing" because the nature of capitalism has remained unchanged in spite of its successive "adaptations." The persistence, multiplication and aggravation of its contradictions and the distortions they generate both nationally and internationally are questionable evidence of the fact that the only viable course of man's progress is the one opened up by socialism.

#### Footnotes

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#### Equal Rights of All Citizens Emphasized

90EB0064A Bucharest ERA SOCIALISTA in  
Romanian 25 Sep 89 pp 18-21

[Article by Ioan Vida]

[Text] As it says in the Theses for the 14th RCP [Romanian Communist Party] Congress, Romania is a unified national state. Due to the circumstances of its historical development, the land inhabited by the Romanian people has been settled by populations of other nationalities since ancient times. By carrying on the policy against any kind of national discrimination that our party has always promoted, socialism has solved the problem of workers' equal rights, without discrimination, morally and definitively.

The documents for the 14th RCP Congress have made a scientific and comprehensive in-depth analysis of the present stage of Romanian socialist society's development, clearly determining the strategy of continuing the revolutionary process into a new and higher stage of construction of the fully developed socialist society. From this standpoint the brilliant results Romania has achieved in the period since the Ninth Party Congress are the most cogent evidence of the correctness of the party's general policy, of the realism of its main objectives, and of the vast transforming power of socialism. They demonstrate the fact emphatically that our party's policy of building a socialist society with the people and for the people is permanently focused upon the problems of the individual and the material and cultural welfare of the entire people, which are the very essence of communism and socialism. They also reflect the dedication with which the entire people are working in close unity for the implementation of the RCP Program, which fully serves their vital interests and aspirations.

All these wonderful achievements and revolutionary changes emphatically affirm the new and higher characteristics of our socialist nation, which are based upon socialist ownership and the unity of economic and political interests of all categories of workers, and accordingly the implementation of fully equal workers' rights without discrimination is one of the achievements of historic importance and a natural corollary of the radical revolutionary changes in all socioeconomic activities.

As we know, Romania is a unified national state, but due to the circumstances of its historical development, populations of other nationalities have also settled on the land inhabited by the Romanian people since ancient times. As it says in the Theses for the 14th RCP Congress, "By carrying on the policy against any kind of national discrimination that our party has always promoted, socialism has solved the problem of workers' equal rights, without discrimination, morally and definitively. Whether they are Romanians or of another national origin, all workers are citizens of the Socialist Republic of Romania, enjoy equally the rights and freedoms provided in the nation's Constitution, and perform the role and functions following from their capacity as owners of the production means and the entire social wealth."

The ideals of social and national justice and equality were not actually fulfilled until the serious social disparities and their economic basis, capitalist ownership, were eliminated by the socialist revolution, by the acquisition of political power by the working class led by its revolutionary party, the RCP, and by the construction of a new social order free of exploitation and oppression, namely socialism.

Accordingly Romania's experience and that of other socialist countries as well shows that all citizens' fully equal rights depend upon a series of social-historical factors, chief among which are suitable economic, political, and legal conditions and a broad democratic framework for development of social relations permitting expression of the personality on all levels of social and national existence that only socialism can actually provide. Among those factors the changes in economic relations and especially ownership relations are critically important. In the first stage of socialist construction, a new kind of ownership of the production means, namely socialist ownership (by the entire people and cooperative), was established by nationalizing the chief production means and cooperativizing agriculture, and it gave the members of our society a position of equality toward the production means that was irreversibly extended to all production and distribution relations and has taken effect in all other social, political and cultural activities. In the years following the Ninth Party Congress especially, our party has adopted a series of economic, political, and organizational measures based on the law of correlation between the productive forces and the nature of production relations that are vital to consolidation and improvement of socialist ownership and to better expression of the workers' capacity as collective owners of the production means. Particular consideration was given to the fact that further consolidation and growth of socialist ownership (by the entire people and cooperatives) are the prerequisite for revolutionary social development, the way to implement all workers' equal rights and to avoid the occurrence of any forms of exploitation of man by man, and the guarantee of stronger national sovereignty and independence.

In the view of our party and Comrade Nicolae Ceausescu, socialist ownership cannot be strengthened nor equality achieved without intensive development of the productive forces and their balanced, harmonious distribution throughout the country. The party secretary general says, "Implementing fully equal rights means making it possible for all citizens regardless of who their parents were to have the rights to work, education and development of their personalities, to be able to work in any field for which they are trained and have aptitudes, and to make their contributions as far as they are able to the general development of the nation and of our socialist society."

The policy of balanced, harmonious development of all counties and localities of the country has closed the great gaps that used to stretch between the various regions, permitting the entire population regardless of nationality to enjoy equal living and working conditions and the results of socioeconomic progress. It has given all Romanian citizens equal and unrestricted access to management of society and the exercise of basic human rights in practice. To be sure, the policy of harmonious development of the productive forces throughout the country has required great efforts and outlays for investments and training the labor force, but it is the only way living and working conditions were equalized and the actual equality of all citizens was secured, and that is the permanent and primary objective of our party and state policy.

The new regional-administrative organization implemented in the course of 1968 was a decisive step toward harmonious development of all areas of the country. The organization of the counties and elimination of the intermediaries lent a powerful impetus to the socioeconomic development and modernization of all localities, with special emphasis on better use of material and manpower resources and on measures for integrating the entire population fit to work in socioeconomic activity. Those measures proved fully effective in satisfying the workers' needs and interests and in implementing full equality among all of socialist Romania's sons. As the Draft Program-Directive of the 14th RCP Congress concerning Romania's socioeconomic development in the 1991-1995 5-Year Plan and the long-range policies up to the years 2000-2010 indicates, by the end of the next 5-year plan all counties will be so well coordinated that 18 of them will have a per capita volume of economic activity amounting to 100,001-150,000 lei, while the other 23 will exceed 150,000 lei per capita. Moreover the programs to develop the nation's communes will make it possible to obtain agricultural outputs of 35,000-40,000 lei per agricultural hectare, and the rural small-industry output will reach at least 6,000 lei per capita through use of local resources.

The improved administrative organization of the national territory, regulated by Law No 2 of 1989, is an important factor for obtaining these results. It reflects a new legislative concept, with measures conforming to the necessity of accelerated development of all areas and

localities of the country. In the new regulation the regional-administrative units are structured to bring about a new quality in self-management and self-administration and, on that basis, to guide the communes, cities, municipalities, and counties toward harmonious economic, social-cultural and municipal-administrative development and to provide for modernization of all urban and rural localities and general improvement of urban and rural workers' living standards.

Accordingly our party is proceeding from the fact that the differences between urban and rural workers' living standards must be minimal. Actually the cities were intensively developed in the years of socialist construction, so that decisive steps must be taken now to raise the living standard of the villages as regards both economic development and suitable provisions for education, health protection, cultural and commercial activities, spending leisure time, and so on. To that end measures have been adopted to make a radical change in the present living and working conditions in the communes in the next few years.

Providing modern housing for villagers is an absolute necessity in this respect because socialism must provide the best living conditions for all inhabitants without discrimination. Comrade Nicolae Ceausescu says, "I want the socialist and eventually communist society we are building to be the society of a people who have all that is needed for a free and worthy life. I think that is the only way we can build a society of people who are truly equal in all activities!"

Equal rights for all citizens reflect the real content of the concept of citizenship in the Romanian socialist state, namely enjoyment, by virtue of membership in this state, of the equality of all members of our society toward the production means in terms of the workers' capacities as owners, producers, and beneficiaries of the entire national wealth. The workers' full equality in politics regardless of nationality, race or religion is implemented on that basis, since theirs is the sovereign and inalienable right to exercise state power. Moreover in the legal area, all citizens are equal before the law and no discrimination in the exercise of the rights conferred thereby is tolerated. In the social and cultural fields, the citizens' equal rights reflect all workers' real opportunities to participate freely and in various ways in community affairs in their various forms, to fully enjoy the results of their labor, and to lead a worthy life rich in accomplishments, in accordance with the humanist values of our society and with the principles of socialist ethics and justice.

All citizens' equality accordingly extends over the whole range of opportunities for human expression and over all workers' rights and freedoms recognized in the socialist state and in all social activities with no discrimination of any kind. Our socialist state guarantees and actually implements these equal rights by consistently promoting a policy of harmonious, all-around social development

and making it serve the further improvement of all citizens' material and cultural welfare in conformity with the principles of social equality and justice and of socialist ethics and equity.

Citizens' basic socioeconomic rights, directly reflecting the revolutionary humanism of Romanian socialist society, are chief among the rights protected and guaranteed by our socialist state. They are based upon national socioeconomic development, upon improvement of the entire people's standards of culture and civilization, and upon all workers' active and responsible participation in socioeconomic management.

The right to work is fully guaranteed in our socialist society thanks to the policy of socioeconomic development on the basis of socialist ownership and rational allocation of the productive forces throughout the country, and to the party's and state's constant concern for every citizen's employment according to his aptitudes, occupational training and aspirations and according to the needs of society as a whole. Moreover assuring all citizens fit to work of this right is one of the basic requirements of socialism. Comrade Nicolae Ceausescu says, "We cannot adopt the views of the capitalist world, which are based solely upon making the greatest possible profits to the detriment of the workers and at the cost of greater unemployment and poverty! On the contrary, our society must provide constantly improved living and working conditions for all citizens! As a matter of fact, that is one of the fundamental differences between socialism and capitalism! If we do not solve these problems, we are not meeting the requirements and principles of socialist management!"

As a graphic illustration of the party's and state's effort to provide jobs and to guarantee the right to work, the number of personnel increased from 1.3 million in 1945 to 7.8 million in 1987 and is to reach 8.1-8.2 million in 1995. About 3.5 million of the new jobs have been created in the period since 1965. The employed population also increased, from 7.9 million in 1945 to more than 11 million at present. As direct reflections of the workers' capacities as owners, producers and beneficiaries of the national wealth, the right to work and the honorable duty to perform a socially useful activity are guaranteed legally because work is the only legal source of incomes, and remuneration for work is governed by such characteristic principles of socialism as "equal pay for equal work," "from each according to his ability, to each according to the quantity and quality of his work," unrestricted incomes from work, and so on.

In providing the necessary conditions for exercising the right to work, our party also kept improving the socialist remuneration system to meet the requirements of social justice and equality and to balance the large and small incomes, and it has rejected any attempt to level incomes or to increase the differences between them. In our society work is the only legitimate way for all workers to increase their incomes, and making incomes without work or by exploiting others' work is not tolerated in any

way. In accordance with these principles and the policy of intensive national development, the wage fund has been increased by about 6 times in the period following the Ninth Party Congress and the average wage by more than 3 times, while the minimum wage is over 3.3 times higher and the ratio between large and small incomes is 1:4.7, to be 1:4.5 in the next 5-Year Plan. The social-cultural outlays out of the state budget have been playing an important part in raising the living standard. They have increased steadily and will reach 14,900 lei per family in 1990 compared with 3,500 lei in 1965. After the pay raise for all workers was enacted a month early, as of 1 July 1989 the minimum wage throughout the economy was increased to 2,000 lei, the average wage to 3,300 lei, and pensions were increased by an average of 8 percent. The development of the national economy will further increase the public's incomes by 5.8 percent in the next 5-year plan.

The continuing emphasis placed by our party and state on preparing the young generation for work and life and on constantly improving all workers' occupational training must also be viewed in close correlation with provision for the right to work, because the principle of all citizens' equality of rights would be seriously impaired if the right to education were not guaranteed along with the right to work. Accordingly, in socialist Romania the right to education is included among the basic civil rights and every youth is guaranteed access to all levels and forms of education, in keeping with the requirements of national socioeconomic development as well as his aptitudes. To that end the Law on Education provides that all Romanian citizens have the right to education regardless of nationality, race, sex or religion and with no restriction that could constitute discrimination.

The guaranteed right to education in Romania is strikingly reflected in compulsory general education and free education on all levels and in the system of state scholarships as well. In the 1988-1989 school year the educational units were attended by 5.7 million preschool children, pupils, and students, or one-fourth of the population of the country. The generalization of compulsory 12-year education to begin in 1990 will be a new and critically important step in developing and improving Romanian education, so that in the 1991-1995 5-Year Plan education will provide professional training for more than 2 million persons, supplying the task of building the fully developed socialist society with personnel armed with a solid professional, theoretical and practical training, the latest scientific and technical advances, and the revolutionary conception of the world and life and of dialectical and historical materialism.

In conformity with the provisions of the Constitution of the Socialist Republic of Romania, Romanian citizens of other nationalities have the fully guaranteed opportunity to use their mother tongues in education on all levels. In pursuance of that provision, educational units, sections, classes, and groups of pupils with instruction in their

mother tongues have been formed in the regional-administrative units also inhabited by workers of other nationalities. Out of the 37,679 educational units on all levels, instruction is also given in minority languages in 2,943 of them. While providing for preservation of the national minorities' ethnic characteristics, our party and state policy is based on the premise that in a unified national state like the Romanian one, free and unrestricted access to all levels of all socioeconomic activities depends upon knowledge of Romanian as a natural requirement that the schools on all levels and all educational elements are involved in meeting in practice.

Our emphasis upon all citizens' full equality of rights is also cogently illustrated by the rich cultural activity in which all of socialist Romania's sons are engaged. The workers in Romania benefit without discrimination by all the necessary conditions for preserving their own cultures and traditions. They have books, newspapers, journals, and other publications in their mother tongues as well as their own cultural establishments and institutions, while the National Cintarea Romaniei Festival creates a broad framework for displaying the talents and creativity of all workers and the entire people.

Implementation of workers equal rights in the economic, social and cultural fields is the material foundation for assertion of equality in all other social activities and especially in politics. In the years of socialist construction and especially since the Ninth Party Congress the widest opportunities have been created in Romania for all citizens to exercise their constitutional political rights and freedoms and to share in socioeconomic management both locally and nationally.

In our socialist society the people are the supreme power in workers revolutionary democracy and the sole and sovereign holders of political power. In socialist Romania the steadily rising development of democratic politics and the masses' direct and all-inclusive participation in social management are natural phenomena necessitated by the nature and aims of the vast undertaking of economic and social construction, which is a historically original experience that is essentially changing the relationship between the managers and the masses by lending it truly democratic qualities. Our socialist state has changed its nature, functions and position in society, and as a state of workers revolutionary democracy it is becoming the supreme representative of the owners, producers and beneficiaries and the political instrument whereby the will of the people to rise to new and higher levels of socioeconomic development is the law and is enforced by the overwhelming power of the national consensus.

The electoral laws are among the most cogent manifestations of the fact that in Romania the power belongs to the people. They are political laws par excellence that actually enable the workers to be collective subjects of power and give them the recognized and guaranteed right to express their will concerning the composition of the representative state bodies, to belong to those bodies,

and to exercise regular control over those elected and their implementation of the mandate entrusted them by the electorate.

In Romania today universal suffrage directly reflects all citizens' equal rights and is more real than ever because all discrimination has been eliminated. Accordingly almost all of the electorate regularly appear at the ballot boxes.

The equal right to vote emphatically reflects the full equality of rights of all citizens of socialist Romania. The right to be elected to the representative organs is entirely equal and universal because the people elect their representatives to the organs of state power from all socioeconomic activities and from all social categories and backgrounds, since they are sons and daughters of the same people, working in factories and plants, in the fields of socialist agriculture, and in the political, social and cultural institutions. It is significant in this respect that the composition of the Grand National Assembly and the people's councils reflects the social and national structure of the population proportionally. The right to vote has been exercised democratically since the principle of several candidates for one deputy's seat was introduced 20 years ago. In the case of the elections to both the Grand National Assembly and the people's councils, entry of two or three candidates on the ballots does not mean confrontations of any opposing political ideologies or forces in the course of the elections. On the contrary, it makes better use of the workers' moral-political unity and their common sense of responsibility for determining, adopting and consistently implementing the programs for socioeconomic development and construction of socialist and communist civilization. The candidates operate in the name of the Socialist Democracy and Unity Front as workers with the same socio-professional status. In a district with two or three candidates, they have the same professional training and similar social positions and functions and are in comparable age groups, most fully reflecting all workers' equal rights in that way. The system of multiple candidatures ensures the election as deputies of the persons offering the best guarantees of implementation of the voters' mandates and of action in accordance with the people's interests by serving the cause of socialism and communism and the policies of full equality and continuing improvement of the entire nation's material and cultural living standard.

While working for improvement of the electoral system and development of the role of the representative bodies in all socioeconomic organization and management, the RCP also specially emphasizes expansion of the structure for the workers' direct participation in the solution of public problems and in management of socioeconomic activity and of all society by harmoniously combining the bodies of traditional representative democracy with the new bodies and forums of workers revolutionary democracy in one original and comprehensive structure.

As they meet in the general assemblies or workers councils, the workers as owners, producers, and beneficiaries with equal rights acquire the prerogatives of management of all activity in the socialist units, having the economic-financial ways and means of effective exercise of their rights and responsibilities bestowed by law and of efficient management of the portion of the national wealth entrusted by society to their administration. The organization of workers general assemblies and workers councils in every socialist unit (collective forms of management with major functions and high responsibilities) has institutionalized the democratic structure for organized participation of the working class and all workers without discrimination in formulating and adopting decisions, and the consensus reached in this way is becoming the moral motive for a firm commitment to carry out the decisions based on the will of all the participants.

It is significant in this respect that over 79,700 workers, about 50 percent of whom are laborers, craftsmen and technicians, belong to the 4,041 workers councils in the socialist units, while 33 percent of the approximately 5,100 members of the workers councils in the industrial centrals are laborers, craftsmen and technicians, and 25 percent of the members of the collective management organs of the ministries and the other central organs of the state administration are the same. Moreover, the workers county conferences and workers county councils were instituted for purposes of uniform democratic management of all socioeconomic activity on the regional level as well as the Workers Congress and Workers National Council on the national level, which are representative bodies for discussion of vital problems of social development and for regular improvement of national economic organization, management and planning to meet the requirements of the new scientific and technical revolution of today.

Similar forms of participation of all workers without discrimination in social management were also created in other fields, namely the county congress and conferences of peasants and all workers in agriculture, the food industry, forestry and water management, the Congress on Science and Education with its standing body the National Council for Science and Education, the congress, conferences and legislative chamber of the People's Councils, and the Congress on Political Education and Socialist Culture. These high national forums of workers revolutionary democracy reflect the considerable expansion under our socialist society of the civil rights pertaining to participation in making decisions by correlating social and political management with the workers particular wishes and providing a new structure for harmonizing the general interests with the group and private interests.

The originality of the workers revolutionary democratic system in Romania is brought out by the place, role, and functions of the elements of the political structure of our society, within which the Socialist Democracy and Unity Front and the mass and public organizations are

acquiring an individuality of their own, capable of reflecting the entire peoples' moral-political unity, advancing the principles and values of socialism and communism, and creating the needed structure for the workers' active participation in social management and for implementing all Romanian citizens' equal rights. For purposes of securing the participation of all social classes and categories in social management, the Socialist Democracy and Unity Organization, a political organization for workers who are not party members, bases its power to act upon all citizens' revolutionary commitment to the tasks of socioeconomic development and socialist and communist construction under party leadership.

All workers' extensive participation in political, economic, social, and cultural activities and in the exercise of power and public control is secured in Romania through the mass and public organizations and those of the Socialist Democracy and Unity Front (specific reflections of the right to associate and the other social-political rights and freedoms), thus lending authenticity to the democratism of our socialist system.

As it says in the Theses for the 14th RCP Congress, further consolidation of the entire people's unity is indispensable to our progress, so that nationalism and chauvinism must be firmly opposed as well as any attempts to propagate the old attitudes promoted by the exploiting classes in order to divide the workers. This is a vital effort of our party's, manifested in the ways and means with which it exercises its leadership in society, in guidance and implementation of the ideological and political-educational efforts to form the new man with a high revolutionary socialist awareness, and in further consolidation of the entire people's unity around the party and within the Socialist Democracy and Unity Front.

In the last 24 years the supreme principle of socialist construction with and for the people has been included and implemented in the heritage of Romanian political thought, and because of it national affiliation cannot be opposed to status as a citizen of the unified Romanian socialist state. In such a state all members have the same rights and obligations and are equally encouraged and supported in many ways to exercise them more and more fully in keeping with the better and better conditions provided by the nation's general socioeconomic development.

Under those circumstances the problem of all citizens' equal rights, a problem closely related to the relationships of citizenship and of the citizen's affiliation with a certain state, is within the sole jurisdiction of the national state as a major attribute of its sovereignty. As Comrade Nicolae Ceausescu said, "The lives of citizens of other nationalities, who are nevertheless are Romanian citizens, depend upon what is happening in Romania and upon Romania's development. Their living standard is raised not outside but here in Romania. These principles are not only specified in the

Constitution, which we consider one of the best because it guarantees full equality among all citizens, but we have also been implementing fully equal rights in reality, and there is no discrimination in any field either for reasons of nationality, or of race, as happens in some countries, or of age, and so on. And of course all inhabitants of Romania have the same obligations as citizens of the Socialist Republic of Romania."

On the basis of the requirements of national sovereignty and independence, our party and state firmly reject the theory that a state can assume responsibility for the fate of citizens of another state on grounds of nationality. Promotion of such theories, which totally contradict the standards and principles of internal and international law, the provisions of the UN Charter and the Helsinki Final Act, and the ideals and standards of socialism and communism, undermine the climate of international peace, good will and security, serve diversionist purposes and policies of destabilizing the socialist countries, and are actually a screen hiding attempts to interfere improperly in other countries' internal affairs and to obstruct their socioeconomic development. In firmly rejecting such anachronistic ideas and practices from the arsenal of policies originating under the motto "Divide et impera," our party and state have firmly pointed out that responsibility for solving the problems of citizens of other nationalities is solely a problem of the state on whose territory they live and work and an inalienable attribute of national sovereignty, and no outsider can pose as an arbiter or mentor by invoking so-called concern about the problems of their lives.

As it says in the Theses for the 14th Party Congress, both the present and the future of citizens of other national origins are inseparable from the present and future of the whole Romanian people. The problems of the lives of citizens of other nationalities and the equal rights of all citizens without discrimination are adequately resolved, as Romania's entire experience demonstrates, by all workers' united determined efforts under the RCP's leadership and within the Socialist Democracy and Unity Front to carry out the magnificent programs for the development and prosperity of the common fatherland, the Socialist Republic of Romania, the sole source of the entire people's greater welfare and better and better satisfaction of the material and cultural needs of all members of our socialist society, who are free and fully equal in rights.

## YUGOSLAVIA

### Status of Student Organizations Examined

90EB0021A Zagreb DANAS in Serbo-Croatian  
26 Sep 89 pp 24-25

[Article by Djurdjica Klancir: "Return of the Disobedient"]

[Text] "Fortunately, we can already forget the times when it was said that schools had to be neutral, and that

students should not concern themselves with what was happening in our society, and then what does not fit into the views of a young person in socialism was 'secretly' thrust upon them, and finally, people tried to achieve their goals by means of the students, as a disoriented and tractable mass." That is how SLOBODNA DALMACIJA commented in June 1974 on the abolition of the independent Student Union. The long-haired, suspiciously well-read critics of the Yugoslav version of building socialism withdrew from the political scene into school classrooms. The "antiparty groups," "anarchists," "dogmatists," and "elitists" departed (for the first two epithets, it was sufficient to protest against the political campaign to suppress the "dissident" thinking of the university professors). For the first time, a united, large, quiet, and tame youth organization was created. "Fortunately," there was a respite.

Fifteen years later, the Student Union is being restored. It has already existed in Ljubljana since February 1989, and the creation of separate student organizations has also been announced in the other Yugoslav university centers, without great pomp, and with the necessary blessing "from above"—from the SSOJ [Socialist Youth League of Yugoslavia]. While Dragan Kalinic, the last president of the Conference of the Yugoslav Student Union, in preparing the ground in 1974 for the creation of a monolithic and peaceful SSOJ, "thundered" from the podium that "worker, student, and secondary school youth must be united," Branko Greganovic stated this year that "all forms of the self-organization of students and youth are already supported now by the SSOJ Presidency"—as if people had completely lost the anti-intellectualism and the fear of elitism and a repetition of some new 1968 that essentially underlay the decision to abolish the Student Union and prevented its establishment for many years. Or is this still just a very carefully considered release from chains? One thing is certain: the founding of the new Student Union—based in many respects on the tradition of the old one—marks a break with the long-standing practice of maintaining an unwieldy, inward-looking, and nonfunctional youth "sociopolitical organization" based on the idea of collectivism and the monolithic merger of all young people—both farmers and pupils and students—into the perfect body for the "young person in socialism." While in 1974 all young people united in a joint organization because they all had a "joint interest," because it was necessary to achieve "united action and ideological unity," and to prevent the phenomenon of "only a small group of people dealing with politics," today there is recognition again of the existence of the "special interests" of students, the value of associations with a functional basis, and the need to solve the specific problems of individual groups of young people.

#### People of the Sixties

Why is the Student Union particularly interesting, among several different forms of the political organization of young people in postwar Yugoslavia? For a long time it was itself a mere tool of the party. Nevertheless,

there were strong and united attempts to make it genuinely independent—which finally cost it its "head." At the end of 1968 and in the beginning of the 1970's there was a real danger that the Student Union might be torn out of the party's hands, thought Lino Leljak, a philosopher (and an activist in the Student Union during the last few years of its existence). "One should not forget that the decision to abolish it was made at the second party conference in 1972." Nevertheless, Veljak emphasized, all of these were just attempts to gain independence: "The Student Union never achieved any real autonomy."

"We were bitterly opposed to having the student organization drowned in the Socialist Youth League," commented Furio Radin, a psychologist and also a direct witness of the abolition of the independence of the Student Union at the Zagreb University. "The Student Union had a certain progressive component—in contrast to the traditionalistic, rural, and provincial orientation of the Socialist Youth League. Precisely because of 1968, the Student Union was ideologically more progressive. Even then the youth organization's activists were only young proteges who were making points for future advancement in politics. They represented a sort of umbrella between the authorities and youth—i.e., they protected the authorities from young people." In other words, many participants in the student movement that sprung up in resisting the nationalistic "rebirth of Croatian university students" in 1971, to a great extent inspired by 1968, participated actively in the work of the Student Union, not in order to lay the foundations for brilliant political careers, but rather because of a sincere desire not to languish passively in the "orbit of the political system already prepared," but rather to participate actively in building it.

And in that respect, they essentially differed from their contemporaries who slid successfully through the youth organization and climbed to higher levels of political power. Isn't it symptomatic that participants in the June 1968 events are very rare in high political positions? Finally, the cries against the "red bourgeoisie"—the first, and so far the only, challenge to the party from the left (as stated by Inoslav Besker in last year's DANAS round table on 1968), has usually been dealt with, in addition to silence and infrequent awkward descriptions by scholars, by views about the "counterrevolutionary aims" of the students and a search for "hostile elements" among them. The Student Union was genuinely present among the students during that hot June. It signed many appeals and proclamations: for example, the Student Union from the Karl Marx Red University addressed an "appeal to the working class of Yugoslavia"—"The student demonstrations that have been held in Belgrade during the last few days have clearly shown who the real enemies of the interests of workers and students are. They are those forces in our society which are trying as hard as they can to isolate workers from students, and which, while allegedly representing the interests of workers, are actually representing their own bureaucratic

interests." Several months afterward, the president of the pacified and purged Yugoslav Student Union, Djuro Kovacevic, stated in a BORBA interview that a student movement was only possible as a part of "the social and political movement of which the LC is the leader."

### Outside the SSOJ?

Many ideas originated in 1968, however, have remained among students. There is still the ideal of the "university as a place for the formation of a free being"—so free that he can comment critically upon a speech by the president of the Croatian League of Communists Central Committee, for instance. Such manifestations of freedom and similar ones at the Zagreb University, however, were proclaimed (in 1973) to be oppositionist and antiparty work. There followed determinations of political responsibility, replacements of the editors of youth newspapers... One of the attacked editorials in STUDENTSKI LIST, from April 1973, commented on the relationship of the party and the Student Union: "Conflicts and disagreements, moreover, must be settled through democratic agreement based on Marxist reasoning, and not through pressures, scorn, the invention of enemies, and the rejection as anti-party of all views and arguments that are not in accordance with the view of individuals in certain forums," and so on. The ideas of the "student as a working person" and the "worker-student," which were advocated on the pages of the youth press at that time and pervaded official programs also reflected the danger that students were aiming at taking into their own hands the driving of the wheel of history instead of the working class, i.e., organizing yet another "vanguard of the workers," a party competing with the LC!

Clearly, all of these fears were simply removed from the agenda in 1974 with the merger of the Student Union and the Youth League into the united Socialist Youth League. Student youth was then assigned involvement in "its true social task, changing the university, and not only in the impersonal fringes of union activity, demonstrations, or even educational and recreational problems." Afterwards, very little remained of the student political aktiv. SSO University Conferences were founded in the university centers; as a rule, these even suppressed the last interest of young intellectuals in active participation in "building the political system." Many of these conferences soon even completely ceased to function, including the one at the Zagreb University. The initiative for founding the Student Union was also associated with its reactivation (in 1986). It is interesting that while this year's detailed preparation for the establishment of the Student Union—where it does not yet exist—and its unification at the Yugoslav level are only attracting marginal criticisms (which is undoubtedly commendable), only 3 years ago a demand for the formation of a "more serious" University Conference at the Zagreb University—one that would allow the voice of the students to reach even the higher political echelons—was characterized as an intolerable attempt to restore the Student Union, "and that would mean destroying the unity of the SSOJ organization!"

The issue of whether student unions will function outside of or within the SSOJ has not yet been settled, and for the most part it is being bypassed. It could still be the basic source of criticism, however, since although "all forms of the self-organization of students and youth are already supported now by the SSOJ Presidency," it is nowhere specified that that tolerance also applies to the establishment of completely autonomous youth organizations, even though it can be easily recognized from the steps taken to date that there is a greater inclination to establish student unions under the sponsorship of the SSOJ.

How much progress has really been made in creating a Yugoslav network of student organizations? The opposition at the SSO University Conference of the Ljubljana University founded a Student Union in February 1989. The founders stressed that their real ambition was to restore the university's autonomy in creating programs and laws and improving the quality of education. "From its present position as a "coordinating body" and a sort of service for the schools which the university represents here, it should become a source of new ideas and specific tasks," thinks Natalija Gorscak, the vice president of the Slovene Student Union. The idea of the "student-worker" is even being revived!

### Trade Union Characteristics

A call for the establishment of a Yugoslav student union is also coming from Slovenia, and has been accepted in almost all the university centers. The results of a survey conducted among Belgrade students are unambiguous: about 70 percent of those polled feel that the SSO is not independent in its work, and more than half demand the establishment of a Student Union. In Zagreb, for a long time now the University Conference of the SSOH [Croatian SSO] has presented itself merely as a "student organization." "We want to be a field for the activism of all interested students, and not just students, and not just those who are members of the SSO," explained Vlatko Cvrtila, the president of the Conference. From the outline of the program that will be offered by the University Conference, one can recognize an orientation toward a "trade union" nature for the organization, with mild political elements. The union is expected to become unified at the Yugoslav level and to strengthen cooperation with student organizations from European university centers, something in which the existing student organization, after all, has had much success. Regardless of insistence on its trade union nature (which is not anything negative, of course), the political orientation of the program's creators can also be clearly discerned. Finally, is the opening of independent "business" area for the operation of the Svarun alternative group (at a time when no one else wanted to do it), or more recently, for the operation of the Association for the Yugoslav Democratic Initiative, only a trade union act, or does it also express something more? The creation of a new mass organization is not anticipated, however, "because young people's political views are not on a mass scale either." (Although, as Lino Veljak emphasizes, even in

1968, immediately before the rebellion, studies confirmed that young people were apolitical.)

Nevertheless, the students' standard of living is still the focus of the student organization's attention. When Zagreb students, 4 years ago, unexpectedly arranged several "exciting" days and nights for the city (the republic, the party...) solely because of dissatisfaction with their own standard of living, many people dramatically asked what would have happened if they had had their own organization, as they once did. Among the students, however, there is a belief that "all of that" would not have happened if they had had a serious organization of their own. And since the problem of the student standard of living is still more unsolved than solved, it seems that the student organization will soon have an opportunity to verify its "seriousness."

A group of sociology students from the Philosophy School, students from the Electrotechnical School, and the younger generation of the Croatian Social-Liberal Alliance (which feels that not one legal Yugoslav political structure can effectively organize the Student Alliance) also participated in creating the Student Alliance at the Zagreb University. The sociology students have already prepared their proposed organizational scheme for the union: they decided on the principle of student parliaments, which would be organized at individual schools, and would then unite at the Yugoslav level, according to the type of school.

The success in promoting the idea of renewing the Student Union should not be viewed only as a consequence of sudden favorable changes in the political climate, aimed exclusively at students. A causal link between the "movement" for university autonomy that has been reactivated in recent years and the student demands for an autonomous organization is obviously present. The Zagreb University's wholehearted support for the students is, therefore, not surprising. "An independent student union organized for the entire University and for each of its members is an absolute necessity at this time," recently stated Prof Zvonimir Separovic, rector of the Zagreb University, in an interview in STUDENTSKI LIST. It is worth noting, however, that the concept of university autonomy differs fundamentally among the largest Yugoslav university centers—and there is a possibility that the independence of student organizations may also begin to take different shapes.

Is the 1974 Student Union, then, being renewed, along with what condemned that Student Union to failure—or is this only the creation of a new set of cogs in the existing mechanism? If it is being renewed, as claimed by many participants, does this mean that once again we may expect a rejection of passive incorporation into the "orbit of the political system already prepared"?

### Montenegrin Supporter of Slovene Cause Discusses Resignation

90EB0072A Zagreb DANAS in Serbo-Croatian  
10 Oct 89 pp 22-24

[Interview with Vukasin Micunovic, former member of the League of Communists (LCY) Central Committee, by Jelena Lovric: "On the Wings of Spontaneity"; date and place not given]

[Text] Vukasin Micunovic, the gray-headed and dignified bard of the communist idea and a member of the League of Communists [LCY] Central Committee, submitted his resignation from that office in a recent lengthy and melancholy nighttime meeting of the highest forum of Yugoslav Communists. As we sit in a room with many books and neatly piled newspapers in an apartment whose windows look down on the noisy river of Belgrade traffic, we ask him: Why? Did the descendant of the famous Montenegrin tribe (the same one as the Vuk which Njegos wrote about in his poetry) get tired or discouraged, was it a sudden decision, what was the impact, and had his withdrawal been evolving over a lengthy period of time?

Micunovic: A man's wisdom is judged when he leaves the public scene, not when he enters it. I have tried to apply that to myself, and I retired as soon as I qualified and as soon as I no longer wanted to be involved. It sounds unlikely, but I learned from the newspaper that I was a candidate to be a member of the LCY Central Committee. Since several people have been nominated, and I have not been living in Montenegro for years, I assumed that I would not survive the election. Not only did they elect me, but they also imposed on me more commitments than I counted on: in the preparations of the action conference of journalists, in the preparation of the First Party Conference, and recently concerning the design for transformation of the League of Communists. I did the work aware that the steps I would like could not be taken, but that the balance of power was such that certain improvements could be accomplished in small steps. This was especially felt during preparations of the party conference, since a rather strong current wanted to reduce it only to an obligation under the bylaws, along the lines of the commitments of the 13th congress being good ones, but the only problem being their implementation. Indeed, the very term "implementation" clearly states how hierarchized we are as a society, how accustomed we are to think that the only problem is that the conceptions of the wise leadership are not being carried out. It has become a habit in the party to discipline the rank and file by means of democratic centralism. But the conference gave a greater stimulus than the congress itself, thanks above all to the crisis which has forced us to adopt certain solutions which were not set down in that form at the 13th congress. But it soon turned out that the unity achieved on the necessity of the three reforms was very brittle; the events following the conference occurred so rapidly that these were substituted: instead of changing the circumstances

we set about changing the people, a matter in which both the party and the government have great historical experience. Once again it turned out that it is easier to change people than circumstances, which is, of course, basic. The idea of the extraordinary congress was also inspired by a desire to change people, which was to overlook the fact that since the congress there have already been quite a few changes in leadership. But even the new people have not been able to do anything very much under the old circumstances.

DANAS: Even the LCY Central Committee of which you were a member changed quite a bit in its composition, although it is difficult to say that it augmented the measure of its power.

Micunovic: In the meantime, the Central Committee began to tack back and forth, to adjust to the momentary balance of power, not follow the commitments of the conference, and in that tightrope act I had to keep silent about certain things I did not agree with, and I got tired of accepting something which was not in keeping with our agreements. I felt powerless to contribute to a change of the circumstances. I was not personally offended, nor am I demoralized nor bitter, but I am greatly disturbed about the powerlessness of that forum. Although I do not think that everything depends upon it, it still offers itself and the League of Communists as the only force which is supposed to find the way out of the situation which is becoming worse and worse every day. Ante Markovic instilled a certain optimism in me with his program, which is consistent in implementing the commitments of the conference. But when he began to carry it out, it became evident that there was fighting on many fronts. And instead of talking about that, we concern ourselves mostly with things which are ephemeral and which do not help to stimulate the process of producing material life and thereby all the other forms of life as well, political, social, and cultural. Judging by the way the draft of the report on the period between congresses was prepared and adopted and the amendments to the bylaws, I am afraid that we are putting off the problems to be resolved after the congress. If I could not change that, then I did not want to consent to it either. After all, in the preparation of those documents I was an advocate of plowing deep; in my view, our doctrine is outdated and its protagonists have not updated it in good time, to meet the demands of life, retaining in the League of Communists the principles of organization and relations as they were at the time when it was formed in the struggle for power. I said 25 years ago that many of our people are weaklings and without color, like plants that grow in the shadow of the pines. I think that my generation, which has in fact made exceptional contributions during its long stay on the political scene, has frustrated the development of the full potential of the generations that came after us. Unfortunately, many people had to stick to their seats instead of their principles if they wanted to enter the hierarchical pyramid. I proposed in one of the recent meetings that we adopt as a constitutional principle that the end does not justify

the means, since we cannot neglect the fact that now that many archives have been opened, it turns out that some people who were punished at one time have to be rehabilitated. I am not certain that those who are insisting today on differentiation—and I am afraid it nevertheless comes down to a purge—are drawing the lesson from that, but I cannot fail to see it. These are all reasons why I could no longer have an effect on the course of events in that direction.

DANAS: The immediate occasion for your resignation was the debate over the Slovenian constitutional amendments?

Micunovic: Yes, that attempt to discipline Slovenia was the immediate occasion. In the course of the summer, I read their constitutional amendments, and if there was anything in them that bothered me, it was the retaining of the sociopolitical chambers, since they have been preventing politics and ideology from retreating into their normal limits. But as far as these other amendments are concerned, I think we cannot condemn the Slovenes without asking why they found it necessary to define in their Constitution what is otherwise an established right to self-determination and secession, although in my opinion the very term self-determination presupposes the right to secede and to enter into association. I do not reproach them for having wanted to do the i's, since in view of everything that has happened concerning Slovenia in recent years they probably judged that this kind of attitude had been created in the people and so they had to do it. Instead of talking about what is wrong with the rest of us, what is it in the other federal units, and what is it at the top of the Federation that motivates this attitude in Slovenia, we have now recalled the Constitution, which otherwise we have been vilifying at the top of our lungs, at this point accusing the Slovenes of trampling on it. Aside from the fact that they are said to want to destroy Yugoslavia, which in my opinion is beyond any rational reflection concerning the status and prospects of Slovenia. After all, Slovenia cannot exist outside Yugoslavia, or at least it cannot live the way it lives in Yugoslavia. They have an economic interest above all to be in Yugoslavia. They can condemn me for economic determinism, but I think that the key to all our problems lies in the production sphere, since we have been neglecting the law of value, condemning ourselves to subjectivism and voluntarism in all spheres of judgment. Instead of talking about this, we pick up on one detail and on the basis of that we get the people in an uproar, and who knows now how it will end, now that it has started the way it has.

DANAS: But this attitude toward Slovenia, which has now culminated in assessments as to counterrevolution and the dissolution of Yugoslavia, is nevertheless of a much earlier date.

Micunovic: I have been following this phenomenon of Slovenia and the attitude toward it since the congress, when the Slovenes received the most criticism and the fewest votes, and this they found rather depressing. I

think that the immediate occasion for that mood of the congress was the writing of certain Slovenian youth periodicals and their youth congress. Slovenian young people have not been inventing the problems—since after all they have been in a situation to experience certain developments in civilization differently from many others in Yugoslavia—but there is a question of whether they chose the right moment and a good line of argument for their public presentation. It is my opinion, and I have expressed it to the comrades from Slovenia, that we must all of us evaluate two things: they must see what irritates the other members of the federal community, and the rest of us must establish what in our acts influences steps like that on their part. In my opinion, the Slovenes were the first to begin to achieve democracy, while many others were only talking about it. For many of us, it was shocking, since we had forgotten that in the process of democratization we must count on everything that has been repressed and silenced taking advantage of the opportunity to make itself known. It is my custom to tell these furious critics that if we did not have Slovenia, we would have to invent it. Although at the same time, knowing how we are, I had a habit of warning the comrades from Slovenia to beware of being accused of vanguardism. As I worked on the preparations of the party conference and its documents, over which there was a conflict between two currents, two ways of thinking about the party, the state, the Army, the Federation, one traditionalist, not to say conservative, and the other innovative, not to say reformist, I could not fail to see that the Slovenes, together with a few comrades from Croatia, were very cooperative precisely concerning this reformist course. At one time, we were horrified at the mere mention of the need for political pluralism, frightening the public that the Slovenes would break up Yugoslavia by demanding several parties, and at this point this is all but generally accepted. The crisis has forced us to reflect more and more about that option. But I am afraid that precisely because attitudes have taken this turn the constitutional amendments might be used as a pretext for suppressing the Slovenian option, since it has gone too far in its independence, in its democratization. I will be sorry if this turn of events in Slovenia becomes the pretext for a conservative conception of the state and the party. Should this become the attitude of the majority, then, as Markovic has said, there will be a postponement of achievement of what we have committed ourselves to, and this means that it will be still more difficult and worse for us.

DANAS: When we were agreeing on the interview, you said that you were glad to have remained in the minority at this last meeting.

Micunovic: Perhaps under the influence of all that we have recently learned about what happened in our past, the improvisation that there was in condemning people, and the way they were treated, I suspected, and I still suspect, that some form of coercion might be applied toward the leadership of Slovenia. After all, you see the way the propaganda is going, just like when the Russians

attacked us in '48, when they wanted to separate the leadership from the party rank and file and from the people. Frightened by the suspicion that such an outcome was possible, I said that I preferred to be in the minority, not in the majority that, like it or not, would nevertheless want to offer such an outcome. In the meantime, I heard that there were ideas about demanding a differentiation in the Slovenian leadership. It is a good thing that this did not become part of the resolutions. That powerful roar which was supposed to silence them did not rise up against them because anyone was really afraid of their secession, but for quite different reasons. Which is why I did not consent to that kind of pressure. I would also act the same way toward the other parts of the League of Communists if they had been involved. Although an atmosphere has been created in which the outcome of the meeting could not in fact have been different, I think it is very important that the Slovenes were not alone in the vote, but were supported not only by the Croats, who—I think—have been led into a similar temptation as the Slovenes, but there was not a single republic party organization in which there was not someone who voted against the condemnatory assessments of the Slovenian amendments. I could proclaim us to be dissidents, renegades, or traitors, but in my opinion this is a sign that the reformist option is still gaining strength. One of the Slovenes said recently that he was amazed that that front of democratic processes in Slovenia was not joining up with others. But I do not think that that is true. Alongside all these animosities and negative attitudes being created toward the Slovenes, I think that nevertheless, compared with what prevailed at the time of the 13th congress, their option has not encountered a wall of silence, but has been gaining more and more adherents. That is what encouraged me to think that time is working on behalf of those who are in favor of innovations, reform, democratization, deep plowing. But the traditionalist current in the party is also rather strong, and it wants to reinforce itself with pretexts such as the Slovenian amendments.

DANAS: The question arises of how the Yugoslav leadership is supposed to debate the situation in a particular republic community. Even when there is an indisputable need for this, dilemmas arise as to how it should be carried out.

Micunovic: The way this has been done with the Slovenes is more a question of subjugation and silencing. Unfortunately, in certain earlier cases which were also provocative and offered a pretext for the Yugoslav leadership to concern itself with them, the LCY Central Committee became completely silent....

DANAS: That is a rather devastating assessment of the LCY Central Committee of which you were a member for 3.5 years. Nevertheless, what has been dominant in its work?

Micunovic: Instead of being an assembly for unification of what is acceptable to everyone and for advancing

processes toward changing a situation which is intolerable, instead of being a place for efforts to give form to what we call the Yugoslav option, a place where a contest between opinions would arrive at a spirit of community, the LCY Central Committee has become a place for disputes, quarrels, a place for reading compositions prepared at home which are not always to the point of what is being debated and do not help to build conclusions. I personally have had enough of that. It is difficult to be constructive when all criticism is interpreted as an attack on some leadership, on some republic, nationality, or people. It did not bother me that more and more members are asking for the floor, I think that this is the first step toward greater openness and democratization, since I can remember meetings when no one asked for the floor except those scheduled to do so in advance. But I was bothered by people's reluctance to examine their own opinions, I am bothered by the absence of an analytical and self-critical spirit, I am bothered by the vocabulary, which is indicative of the lack of arguments. I am bothered by the rather pronounced demagogic that individuals have been using to take advantage of the dissatisfaction of the masses. I am bothered by our reluctance to face the fronts that opened up when the commitment was made to the three reforms, by our inability to implement those commitments, by our enslavement to the spirit of compromise, I am bothered that the League of Communists cannot tear itself away from the exercise of power, since it was created for the exercise of power and established itself in the exercise of power, and now it simply cannot give it up.

DANAS: Several concepts have emerged in the search for a way out on the Yugoslav political scene. One of the most interesting is certainly what is referred to as the Montenegrin "new development philosophy," which was recently advanced with its fresh ideas at the highest assembly of Montenegrin Communists. How does it square with reality today?

Micunovic: It is written with a vocabulary that is rather unusual for those party events, indeed in a new vocabulary, with quite a few very interesting and very acceptable commitments, and I must say that it has given rise to some hope in me and also in a broader public outside Montenegro. However, I am afraid that the new development philosophy cannot become the prevailing one if the desire is to inaugurate and realize it with the old implements. And that is what is happening. I think that it is exactly this that threatens what is good in that concept. To be sure, in this area the traditionalist conception of both the party and the state and of society is rather deeply rooted, and this should not be bound up solely with changing the leadership. The authors of the new development philosophy who now hold distinguished positions have been in a rush to make changes in personnel, from party forums to the Assembly, and no one has hindered them in this, but even here it has turned out that changing people without changing the circumstances can at best yield only limited results. According to all the indicators, the balance sheets of the

new leadership are rather unfavorable. I am aware that they have not held their positions of leadership for a long time, only 6 months, and they themselves point this out. But it is interesting that when they criticize the federal government and Ante Markovic they do not honor that reason, although they came into office at approximately the same time, so that that criterion of time should apply to both, if one wants to be at least objective. Nor do I like the position they have taken toward Slovenia, especially this saber-rattling, regardless of how and with what intention it was stated. I find this counterproductive, I consider it an incident. I do not know what made them do it. However, they have to maintain that mood of mass euphoria which made it possible for them to settle accounts with the previous leadership in the first place, and now it is helpful in deterring questions about their results.

DANAS: How do you interpret that practice of constantly holding rallies?

Micunovic: I think that this movement of the masses which brought them to the positions of leadership and which they are now elevating to the highest form of democracy—as the voice of the people which is supposed to teach politics to the politicians—will continue. From the lawyer's or statesman's viewpoint, there might be good reason to attempt to confine that disposition or resentment to institutional forms, but I think that this is a Sisyphean task until those institutions become more vital and accessible. Unless the state and the party become more democratic in this way, unless the League of Communists equips itself to fight for its program by democratic means, there will be no use in saying that we cannot follow in the steps of the Hungarians or Poles. I think that for a long time yet this will not depend on the will of the leadership groups or responsible individuals, but spontaneity will swell up, but anything can happen in the name and under the sponsorship of egalitarianism, which is the dominant characteristic of both the workers and the party rank and file.

DANAS: I would like to put one question to you about the Army. You have been a soldier, and now you might be called a retired politician. For a long time now, there have been speculations in various ways about the role of the Army in resolving the Yugoslav crisis, and in the last meeting of the LCY Central Committee its representatives, whether that was their intention or not, played a key role. What does your military and political experience say?

Micunovic: My military experience is minimal. I took my uniform off back in 1957. But I can say that insofar as the League of Communists is no longer successful in being the cohesive factor of Yugoslav society, the option and the hope will grow that the Army will perform that role. I do not dispute the importance of the Army even in that sense, but I nevertheless think that a market economy is the backbone of the integrative processes in Yugoslavia and that this is necessary not only because of the present exchanges of fire, but also on behalf of

Yugoslavia's prospects if it wants to become part of Europe and the world in the future. The results which we achieve in this process will determine the shape of political, social, and spiritual life in Yugoslavia, its integrative processes, the overcoming of ethnic conflicts and collisions.... Among other things, it will also determine the role of the armed forces. Should that be successful, the armed forces will have their true dimension and role with respect to politics as well. It is not a good thing to deny the Army, it is a necessity of the times in which we live, but neither should it shy away from criticism so much, especially that criticism which results from an ability to think through social practice, which can only be good medicine for the entire society and all its institutions.

### **Changes, Additions to Law on Territorial Waters**

*90EB0034A Belgrade SLUZBENI LIST in Serbo-Croatian No 57, 29 Sep 89 p 1443*

[Decree Proclaiming Law No 890 on Changes and Additions to the Law on the Coastal Sea and Epicontinental Zone of the Socialist Federal Republic of Yugoslavia]

[Text] The Law on Changes and Additions to the Law on the Coastal Sea and Epicontinental Zone of the Socialist Federal Republic of Yugoslavia, passed by the SFRY Assembly at the 28 September 1989 session of the Federal Council, is hereby proclaimed.

P No. 1042 Belgrade, 28 September 1989  
President of the SFRY Presidency Janez Drnovsek  
President of the SFRY Assembly Slobodan Gligorijevic

### **Law on Changes and Additions to the Law on the Coastal Sea and Epicontinental Zone of the Socialist Federal Republic of Yugoslavia**

#### **Article 1**

In the Law on the Coastal Sea and Epicontinental Zone of the Socialist Federal Republic of Yugoslavia (SLUZBENI LIST No. 49/87), article 19, paragraph 1 is changed to read:

"A foreign fishing vessel, during its passage through the coastal sea of the SFRY, is prohibited from any fishing or catching of other living beings in the sea and on the seabed. During its passage through the coastal sea of the SFRY, that vessel is obliged to keep fishing gear and equipment that is used for fishing or catching other living beings in the sea and on the seabed in the vessel's storage compartments or sealed."

#### **Article 2**

In article 20, after paragraph 4, a new paragraph 5 is added, which reads:

"A foreign vessel apprehended during pursuit is turned over to the appropriate authority at the nearest port of the SFRY."

#### **Article 3**

In article 31, paragraph 1, the words "500,000 to 10,000,000" are replaced by the words "at least 5,000,000."

In paragraph 3, the words "50,000 to 500,000" are replaced by the words "at least 500,000."

#### **Article 4**

In article 32, paragraph 1, the words "100,000 to 1,000,000" are replaced by the words "1,000,000 to 10,000,000."

Point 8) is changed to read:

"8) if a foreign fishing vessel, during its passage through the coastal sea of the SFRY, fishes or engages in catching other living beings in the sea or on the seabed, or if it does not keep fishing gear and equipment that is used for fishing or catching other living beings in the sea and on the seabed in the vessel's storage compartments or sealed (article 19, paragraph 1);"

After point 8) a new point 9) is added, which reads:

"9) if a foreign fishing vessel does not pass through the territorial waters of the SFRY by the shortest path or in passing through the territorial waters of the SFRY sails at a speed less than an economical speed, or during its passage stops and casts anchor in the territorial waters of the SFRY, and that stopping and anchoring is not caused by force majeure or trouble at sea, or if during the passage through the territorial waters of the SFRY the vessel does not have the signs of a fishing vessel clearly displayed (article 19, paragraph 2);"

Points 9) and 10) become points 10) and 11).

In paragraphs 2 and 3, the words "20,000 to 200,000" are replaced by the words "200,000 to 2,000,000."

After paragraph 3, a new paragraph 4 is added, which reads:

"In addition to the penalty prescribed for a maritime violation under paragraph 1 point 8) of this article, the foreign legal person will also suffer the protective measure of confiscation of the vessel, the catch, and the fishing gear and equipment that is used for fishing or catching other living beings in the sea and on the seabed, under the following conditions:

1) if the same vessel has already committed the same violation for which the appropriate authority in the SFRY has decreed the penalty, or if the captain of the vessel has been punished during the last 5 years for the same crime;

2) if the fishing or the catching of other living beings in the sea or on the seabed is done with fishing gear and equipment, used for fishing or catching other living beings in the sea or on the seabed, whose use is banned or restricted by Yugoslav regulations;

3) if the fishing or the catching of other living beings in the sea or on the seabed is done in a fishing preserve or if it catches types of fish or other living beings in the sea or on the seabed when the catching of those types is prohibited;

4) if the captain of the vessel or a member of the crew does not obey an order from an official person to halt the vessel or by some other act causes a danger to human life or property."

#### Article 5

In article 33, paragraph 1, the words "100,000 to 1,000,000" are replaced by the words "1,000,000 to 10,000,000."

In paragraphs 2 and 3, the words "20,000 to 200,000" are replaced by the words "200,000 to 2,000,000."

#### Article 6

In article 34, paragraph 1, the words "50,000 to 500,000" are replaced by the words "500,000 to 5,000,000."

In paragraph 2, the words "10,000 to 50,000" are replaced by the words "100,000 to 500,000."

#### Article 7

In article 35, paragraph 1, the words "100,000 to 1,000,000" are replaced by the words "1,000,000 to 10,000,000."

In paragraphs 2 and 3, the words "up to 200,000" are replaced by the words "up to 2,000,000."

#### Article 8

Article 37 is deleted.

#### Article 9

This law enters into force on the eighth day from the day of its publication in SLUZBENI LIST SFRJ.

### Law on Basic Rights in Labor Relations

90EB0047A Belgrade BORBA in Serbo-Croatian  
10 Oct 89 pp 1-8

[Text]

### LAW ON BASIC RIGHTS ARISING FROM THE EMPLOYMENT RELATIONSHIP

#### TITLE I. BASIC PROVISIONS

##### Article 1

This law regulates the basic rights, obligations, and responsibilities arising from the employment relationship.

For the purpose of this law, "employment relations" means a voluntary relationship between a worker and an

organization or employer for the purpose of performance of particular tasks and economically purposeful responsible use of resources and for exercise of the rights and performance of the obligations accruing during and on the basis of employment.

##### Article 2

The employment relationship of workers in an enterprise, in an organization providing social services, in a bank or other financial organization, in an insurance organization, in a cooperative or in other forms of cooperation and joint business operation with a foreign person (hereinafter "the organization") is established between the worker and the organization, and is regulated by law, collective agreement, and general act (charter or bylaws, rules, and other general self-management acts).

The employment relationship of workers employed by self-employed working people, by a civil juridical or physical person, on a farm, in a branch office of a foreign firm, or in a diplomatic or consular mission of the Socialist Federal Republic of Yugoslavia (hereinafter "the employer") is established between the worker and employer and is regulated by law and collective agreement.

The provisions of this law also apply to workers in work communities of bodies and agencies of sociopolitical communities, sociopolitical organizations, public organizations, civic associations, and other organizations and communities as well as to persons serving in the Yugoslav People's Army unless otherwise provided in law.

##### Article 3

In conformity with law, the employed worker is entitled to health care and other rights in case of illness, partial or complete disability, and old age, as well as rights to other forms of social security.

An employed woman worker is entitled to particular protection during pregnancy, childbirth, and maternity.

A worker under age 18 enjoys special protection during employment.

A worker whose employment relationship terminates is entitled, in accordance with law, to health care in case of illness and disability, to financial support, and to other rights during unemployment.

##### Article 4

Workers have the right to organize a trade union to protect the rights and interests of its members in accordance with law and its bylaws.

The organization or employer is required to make it possible for the trade union to take part in the proceedings of regulating the rights, obligations, and responsibilities of workers which arise out of employment and the employment relationship.

A representative of the trade union (trade union agent) may not be disciplined nor discriminated against because of trade union activities to protect the rights and interests of the workers provided he acts in conformity with law, the collective agreement, and general act.

#### **Article 5**

The worker has the right and duty to prepare himself and train in keeping with the requirements of the work process.

The organization and employer are required to participate in bringing about the material, organizational, and other conditions necessary for the worker's preparation and training.

#### **Article 6**

The organization or employer sets forth in a general act, in accordance with law, the conditions under which the contract is concluded on performance of jobs which because of the work process are not performed as permanent and continuous work, but last a short time or are performed occasionally (temporary and occasional jobs).

A worker may assume the obligation to perform the jobs referred to in Paragraph 1 of this article either himself or together with members of his family, under the condition and in the manner set forth in a legal contract.

A person who in the context of Paragraphs 1 and 2 of this article performs temporary or occasional jobs is not employed.

### **TITLE II. ESTABLISHMENT OF THE EMPLOYMENT RELATIONSHIP**

#### **1. Conditions for Establishment of the Employment Relationship**

##### **Article 7**

The employment relationship may be established by any person who fulfills the general conditions set forth in this law and the special conditions set forth in law and general act.

##### **Article 8**

The employment relationship may be established by a person who has reached age 15 and is physically fit.

A disabled person is considered fit to perform particular jobs if his health allows the performance of those jobs.

A general act sets forth the type and level of specialized training for a particular occupation, the knowledge and ability and other special conditions necessary for performance of the tasks of the job.

A foreign national and stateless person may establish an employment relationship under the conditions stated in Article 6 of this law and Paragraph 1 of this article and under conditions set forth in federal law.

#### **2. Procedure for Establishment of the Employment Relationship**

##### **Article 9**

The decision on the need to establish the employment relationship is made by the body stated in a general act or by the employer.

The organization or employer is required to register with the employment security organization job vacancies and the conditions which a worker must fulfill to perform the duties of that job.

The employment security organization is required to publicize job vacancies.

In the case of a job vacancy for a professional manager or worker with special authority and responsibility in a socially owned enterprise or organization providing social services, the organization is required to advertise a competition in the news media and indicate the term for which the selection is being made.

Disabled persons are employed in the manner set forth in law.

##### **Article 10**

The choice among the candidates is made by the competent body in accordance with the procedure set forth in the general act or by the employer.

The choice among candidates for a job with special authority and responsibility is made by the body for self-management of the organization on the recommendation of the professional manager, in accordance with the general act, or by the employer.

The decision on the selection is delivered to the candidates within 8 days after the decision is made.

##### **Article 11**

The worker establishes the employment relationship as of the day when he begins work on the basis of a decision on selection or a contract hiring him.

The worker begins work when the decision on selection becomes final, unless that decision provides otherwise.

Before beginning work, the worker must be allowed to examine the organization's general acts or the collective agreement regulating rights, obligations, and responsibilities.

##### **Article 12**

The employment relationship is established for a time whose duration is not specified in advance (employment relationship for an indefinite period).

The employment relationship may, in accordance with law, be established for a time whose duration is specified in advance—seasonal work, work on a particular project, an increase in the work load which lasts a specified period of time, replacement of an absent worker, etc., for the duration of those requirements (employment relationship for a specific period).

In the cases referred to in Paragraph 2 of this article, the worker has all the rights, obligations, and responsibilities of workers who have established the employment relationship for an indefinite period.

#### **Article 13**

A professional manager and worker with special authority and responsibility who is not reelected or reappointed at the end of the term for which he was chosen is reassigned to another job which corresponds to the level of his specialized training or type of occupation, and if he is relieved of the position before the end of the term for which he was chosen, he may be reassigned to another job which corresponds to his level of professional training or type of occupation or to his knowledge and ability.

#### **Article 14**

Before the decision is made on selection for work in a particular job, ability for performance of the duties of the job may be verified if this is set forth as a condition for establishment of the employment relationship, but this does not apply to trainees.

A general act may establish a trial period as a special condition for employment of workers in particular jobs, except in the case of trainees, such trial period not to last longer than 6 months.

#### **Article 15**

A worker may be taken over to work in another organization or by another employer under the conditions and in the cases set forth in a general act.

#### **Article 16**

An organization or employer may establish an employment relationship with a trainee for a specified or indefinite time.

A trainee may acquire specialized qualifications for performing jobs and tasks independently even without establishing the employment relationship (volunteer work) under the conditions set forth in law.

### **3. Assignment of Workers**

#### **Article 17**

The worker is assigned to the job for whose performance he established the employment relationship.

In cases of an indispensable need of the process and organization of work, a worker may be assigned to any

other job which corresponds to his level of specialized training or type of occupation, knowledge, and abilities.

The decision on assignment of the worker to the job is made by the professional manager or the employer.

As a rule, the worker performs the tasks of the job within the organization, but he may also perform them at home if the nature of the tasks allows.

As an exception, a worker may be assigned to perform the tasks of a job requiring a lower level of specialized training in the particular occupation, in the cases and under the conditions set forth in a general act or collective agreement in accordance with law.

#### **Article 18**

If in the procedure prescribed by a general act or collective agreement, a worker is found to lack the necessary knowledge and ability to perform the duties of the job to which he has been assigned or if he is found not to produce the envisaged results of work, he is reassigned to another job which corresponds to his knowledge and ability. If there is no such job, the worker's employment relationship terminates.

The decision in Paragraph 1 of this article is made by the professional manager or employer.

The worker has the right to object to the decision referred to in Paragraph 2 of this article before the competent body in the organization or the competent body designated in the collective agreement.

The competent body makes a ruling on the objection referred to in Paragraph 3 of this article on the basis of the findings of a commission made up of members who have at least the same level of specialized training in the particular occupation.

#### **Article 19**

A general act may set forth the conditions under which, in the interest and because of a need of the work process, a worker may be reassigned from one organization to another organization within the framework of complex forms of association of organizations or complex organizational forms, to a job which corresponds to his level of specialized training in a particular occupation and to his knowledge and abilities.

#### **Article 20**

A worker may be temporarily assigned to another organization, to a job which corresponds to the level of his specialized training in a particular occupation, on the basis of a decision made by mutual agreement between the competent bodies of those organizations, for no longer than 6 months or to the end of the job for which he was temporarily reassigned.

#### **Article 21**

The employment relationship of a worker whose work has become unnecessary because of technological and other improvements that help to raise productivity and

increase the success of the organization or employer may not be terminated until he has been guaranteed one of the following rights based on employment, consistent with the criteria set forth in law and the general act or collective agreement:

- 1) the right to work in another organization or with an employer on the basis of an agreement between the competent bodies, in a job which corresponds to his knowledge and ability and to his work ability;
- 2) the right to retraining and additional training to perform the tasks of a job in the same or other organization or with another employer;
- 3) the right to purchase the pensionable service he lacks if it is less than 5 years to qualify for an old-age pension;
- 4) the right to a lump-sum payment in the form of severance pay in the amount of at least 24 average personal incomes which the worker has received in the organization over the quarter in which the right to severance pay is exercised, if he declares in writing that he wishes his employment relationship to be terminated and that those funds permanently settle the question of his future employment under the conditions and in the manner set forth in law;
- 5) other rights consistent with law.

A worker who has not been guaranteed one of the rights stated in Paragraph 1 of this article is entitled to money compensation at least as great as the guaranteed personal income until he qualifies for the exercise of that right, but no longer than 2 years.

The employment relationship of a disabled worker may not be terminated on the grounds referred to in this article until the worker qualifies for a pension, or for one of the other rights under Paragraph 1 of this article, with his consent.

#### **Article 22**

Sociopolitical communities, organizations, communities, and employers pool their funds or furnish them in some other manner, on principles of reciprocity and solidarity, to guarantee the rights of workers referred to in Articles 21 and 77 of this law and to bring about favorable conditions for creation of jobs in general, under the conditions and in the manner set forth in law.

### **TITLE III. RIGHTS, OBLIGATIONS, AND RESPONSIBILITIES OF WORKERS**

#### **1. Establishment of Workers' Rights, Obligations, and Responsibilities**

##### **Article 23**

The worker has the right and duty to perform tasks and jobs in order to use the assets entrusted responsibly and with economic expediency and to realize the results of work. A general act or collective agreement regulates in more detail the rights, obligations, and responsibilities of

workers, the manner of and procedure for exercising and discharging them, and also the bodies which make decisions on rights, obligations, and responsibilities.

The worker must be presented a written decision which decides about the exercise of his individual rights or the discharge of his individual obligations and responsibilities.

#### **2. The Work Schedule**

##### **Article 24**

The worker's workweek is 42 hours (fulltime).

An organization or employer may establish a workweek shorter than 42 hours in the cases and under the conditions set forth in law.

The rights of workers referred to in Paragraph 2 of this article are on a par with the rights of workers who work a 42-hour week.

The workweek of a worker who works at jobs which are particularly difficult, strenuous, or harmful to health works a workweek shortened in proportion to the harmful effect on his health or his ability to work, in accordance with law and the collective agreement.

As an exception, a worker's workweek may last longer than 42 hours (overtime) under conditions set forth in law and a general act or collective agreement, but not more than 10 additional hours a week.

The decision on overtime is made by the professional manager or by a worker with special authority and responsibility whom he authorizes, or by the employer.

Work at night is a special working condition that is relevant in establishing workers' rights.

##### **Article 25**

The work schedule may be revised when this is required by the nature of the activity or jobs and tasks, the organization of work, better use of machines and equipment, more optimum use of worktime, and the performance of particular jobs and tasks within assigned periods of time.

In the cases referred to in Paragraph 1 of this article, working hours are rescheduled so that the worker's total average workweek is not longer than 42 hours in the course of the year.

The decision to reschedule working hours is made by the professional manager, in accordance with the general act, or by the employer.

##### **Article 26**

Worktime is scheduled within the total annual worktime by decision of the professional manager or employer, consistent with a general act or collective agreement.

The assembly of a sociopolitical community may, and in the cases specified by law must, set forth in its decision the schedule, beginning and end of working hours in particular activities and at particular jobs.

#### **Article 27**

A worker may establish an employment relationship with fewer working hours than fulltime under the conditions and in the manner set forth in a general act or collective agreement in accordance with law.

A worker who works in a job for which less than fulltime has been envisaged may establish an employment relationship in more than one organization or with more than one employer, and in that way work fulltime.

A worker who has established an employment relationship in a job for which less than fulltime has been envisaged has the same rights and obligations of workers who work fulltime, and he exercises and performs them to an extent that depends on the length of his working hours, his contributions in terms of work and results of work, in keeping with the general act or collective agreement.

A worker who works fulltime in one or more organizations or with one or more employers may also work in another organization or for another employer in the cases, under the conditions, and in the manner set forth in law and the general act or collective agreement.

#### **3. Rest Time and Absences**

##### **Article 28**

The worker has the right to 30 minutes of rest during the workday.

Rest breaks are organized during the workday so as to guarantee that work is not interrupted if the nature of the job does not allow interruption of the work, which is also the case in work with the public.

The rest time referred to in Paragraph 1 of this article is counted as worktime.

##### **Article 29**

The worker has the right to rest at least 12 continuous hours between 2 successive workdays.

During work on seasonal jobs, the worker has the right to rest under Paragraph 1 of this article at least 10 continuous hours, and a worker under age 18 at least 12 continuous hours.

##### **Article 30**

The worker has the right to a weekly rest lasting at least 24 continuous hours, and if it is indispensable that he work on his weekly day of rest, he must be given a day off for that rest during the coming week.

##### **Article 31**

The worker has the right to annual vacation of at least 18 workdays. If in the calendar year in which he has

established the employment relationship the worker has not worked a full year, he is entitled to annual vacation in proportion to the time he has worked.

The length of annual vacation is established by the competent body or by the employer on the basis of criteria set forth in the general act or collective agreement, as follows: working conditions, the contribution of the worker through his work, the complexity of the work duties, years of experience, the worker's state of health, and other aspects of the worker's working and living conditions.

The annual vacation may be used in two parts. If the worker splits his annual vacation, he must use the first part of at least 12 working days in succession before the end of the calendar year, and the other part no later than 30 June of the coming year.

##### **Article 32**

The worker may not be deprived of the right to rest during the workday, daily rest, and weekly rest.

The worker may not waive his right to annual vacation, nor can he be deprived of that right.

##### **Article 33**

The worker has the right to paid absence or absence without pay or other rights from the employment relationship, in the cases and under the conditions set forth in the general act or collective agreement in accordance with law.

The decision referred to in Paragraph 1 of this article is made by the professional manager and by the worker with special authority and responsibility, or by the employer.

Voluntary blood donors have the right to 2 successive days off for each donation of blood. The days off are counted as days worked.

##### **Article 34**

A worker who ceases to work in an organization or for an employer because he is leaving to serve or complete his required military service has the right, within 30 days of serving or completing his required military service, to return to a job which corresponds to his level of specialized training in a particular occupation.

A worker whom an organization has sent to work abroad in its own enterprise or a joint enterprise, or who has been sent as part of international technical or educational-cultural cooperation to diplomatic, consular, or other missions for advanced training or education, with the consent of his organization, and also in other cases as set forth in law, has the right within 30 days of the date

of termination of the work abroad to return to a job which corresponds to his level of specialized training in a particular occupation.

During absence from work in the context of Paragraphs 1 and 2 of this article and also during the serving of a prison sentence lasting less than 6 months, the rights and obligations acquired in work and on the basis of work are suspended, except for rights and obligations for which the law provides otherwise.

#### **Article 35**

A worker elected or appointed to an office in self-management, public office, or other civic office whose performance requires that he temporarily cease to work in the organization, has the right to return to a job which corresponds to his level of specialized training in a particular occupation within 30 days after termination of his term of office.

### **4. Worker Welfare**

#### **Article 36**

The organization or employer is required to provide the necessary conditions for workplace safety in accordance with law and the general act or collective agreement.

The worker exercises the right to workplace health and safety in keeping with the prescribed measures and standards of workplace health and safety and the general act or collective agreement in accordance [original reads "conflict"] with law.

The worker is required to abide by workplace health and safety measures and to perform the tasks of his job with attention so as to safeguard his life and health and also the life and health of other workers and citizens.

#### **Article 37**

Before assignment to a work station, the worker has the right and duty to familiarize himself with the workplace health and safety standards prescribed in connection with the performance of his job, as well as matters related to the organization and performance of workplace health and safety.

The organization or employer is required to familiarize the worker with all the hazards of the job and with rights and obligations related to workplace health and safety and working conditions.

The worker has the right to refuse to work if there is an immediate danger to his life and health because the prescribed workplace health and safety measures have not been conducted.

In the case referred to in Paragraph 3 of this article, the competent body in the organization or the employer must take steps immediately to eliminate the direct threat to the worker's life or health.

#### **Article 38**

Taking into account scientific methods and present-day advances, the organization or employer is required to organize the work process in a manner that guarantees

safety on the job and protection of the health of citizens, that is, to create the working conditions and undertake the prescribed measures and adopt the prescribed standards and other generally recognized workplace health and safety measures to guarantee the mental and physical health and personal security of workers and the public.

The measures and standards of workplace health and safety in technical and technological work processes is prescribed by the federal administrative agency competent for labor affairs.

#### **Article 39**

Neither a male worker under age 18 nor a woman may work in a job in which particularly heavy physical work is predominantly done, nor may they do work underground, underwater, nor other jobs which might be harmful or carry an increased risk of affecting the health and life of the male worker under age 18 or the woman, in view of their mental and physical characteristics.

#### **Article 40**

A woman worker may not work overtime or at night during pregnancy or when she has a child under 2 years of age.

As an exception to the provision of Paragraph 1 of this article, a woman with a child older than 1 year may work at night, but only on the basis of her written request.

A parent who is a sole breadwinner and who has a child younger than age 7 or a child that is seriously disabled may work overtime or at night only on the basis of his or her written consent.

#### **Article 41**

A woman worker has the right to childbirth leave of at least 270 consecutive days during pregnancy and childbirth.

On the basis of the findings of a competent medical body, a woman worker may begin her childbirth leave 45 days before the birth, and she must do so 28 days before the birth.

#### **Article 42**

One of the parents with a child under age 1 has the right, upon making application, to work halftime.

The general act of the organization or collective agreement establishes the schedule of worktime or the schedule of total absence from work of one of the parents referred to in Paragraph 1 of this article, so that the average time worked during this absence amounts to half of full working hours.

At the end of the child's 1st year, the woman worker has the right to work halftime, which she may do until the child reaches age 3 if the child, in the opinion of the competent medical authority, needs care in view of the state of its health and in other cases set forth in law.

One of the parents of a seriously handicapped child has the right to work halftime in the cases and under the conditions set forth in law.

The shorter working hours referred to in Paragraphs 1-4 of this article are regarded as full time worked.

#### **Article 43**

The father of a child may exercise the rights stated in Article 40, Paragraphs 1 and 2, and Article 41 of this law in case of the death of the mother, if the mother abandons the child, or if there are good reasons why the mother is prevented from exercising those rights.

Adoptive parents of a child have the rights of parents referred to in Articles 40-42 of this law under the same conditions.

#### **Article 44**

If a woman worker gives birth to a stillborn child or if the child dies before the end of childbirth leave, she has the right to extend childbirth absence by the time necessary, according to the physician's finding, to recover from the birth and the mental state caused by loss of the child, but no less than 45 days, during which time she enjoys all the rights on the basis of childbirth leave.

#### **Article 45**

A woman worker in an organization in the sectors of industry and construction may not be assigned to nighttime work if working those hours would prevent her from resting at least 7 hours in the time between 2200 hours and 0600 hours of the next day.

The prohibition stated in Paragraph 1 of this article does not apply to a woman worker who has special authority and responsibility or who performs the functions of protecting the workers' health and welfare.

As an exception to the provision of Paragraph 1 of this article, a woman worker may be assigned to nighttime work if this is indispensable to continue work interrupted because of a force majeure which could not have been foreseen and when it is necessary to prevent damage to raw materials or other supplies.

A woman worker may also be assigned to work at night when this is required by particularly serious socioeconomic, social, and similar circumstances, provided the organization or employer obtains consent of the competent body in the republic or autonomous province to schedule that kind of operation.

#### **Article 46**

A male worker under age 18 may not be ordered to work overtime.

A general act or collective agreement may assign to the worker referred to in Paragraph 1 of this article working hours shorter than fulltime.

#### **Article 47**

A worker under age 18 working the sectors of industry, construction, and transportation may not work at night between 2200 hours and 0600 hours of the next day.

As an exception, when required by the general interest because of particularly difficult circumstances, a worker who has not reached age 18 may be assigned to nighttime work under the conditions whereby other workers may be assigned to work at night.

#### **Article 48**

A disabled worker has the right to be assigned to a job that conforms to his remaining ability to work, the right to retraining or additional training, the right to assignment to a job for which he qualifies, and also the right to appropriate money compensation in connection with the exercise of those rights, in conformity with regulations on old-age and disability insurance.

A worker with impaired work ability and a worker working on jobs where there is a danger of being disabled has the right to reassignment to an appropriate job.

In the cases referred to in Paragraphs 1 and 2 of this article, the organization or employer must provide the worker a job of which he is capable under the conditions and in the manner set forth in the general act or collective agreement in accordance with law.

### **5. Personal Incomes and Compensation**

#### **Article 49**

The worker is entitled to personal income for his work in accordance with the general act, which has been adjusted to a social compact, or in accordance with the collective agreement and with law.

The worker is entitled to personal income as a portion of the income or profit that is in proportion to the worker's contribution to the creation of that income or profit in accordance with the general act or collective agreement.

The personal income is paid at least once a month.

The worker's contribution through his work is decided by the professional manager or the worker with special authority and responsibility, or the employer, in accordance with the general act and collective agreement.

#### **Article 50**

The worker is entitled to compensation for personal income during absence from work or when exercising a

right based on remaining work ability under the conditions and in the amount set forth in law and the general act or collective agreement.

**Article 51**

The worker is entitled on the basis of employment to guaranteed personal income in conformity with law and the general act or collective agreement.

**Article 52**

Workers use resources for social services on the basis of distribution according to work and solidarity in conformity with the bases and scales set forth in the general act or collective agreement.

**6. Other Forms of Worker Motivation**

**Article 53**

The personal income or compensation of a worker who in his work has made an exceptional contribution to raising productivity through an innovation, efficiency proposal, or other forms of creativity in the workplace, or who in some other manner has contributed to the growth of income or profit shall be established in proportion to his contribution to the growth of that income or profit.

The general act or collective agreement establishes that the worker, on the grounds stated in Paragraph 1 of this article, may also be entitled to the following:

- preference in being sent for advanced training;
- a percentage of the growth of income or profit realized by the rise in productivity through the innovation, efficiency proposal, or other form of creativity in the workplace or in some other manner;
- additional leave as a reward;
- other rights as set forth in the general act or collective agreement.

**7. Responsibility for Performance of Work Duties**

**Article 54**

A worker who through his own fault does not perform his duties and work obligation or does not abide by the decisions made in the organization or the decisions made by the employer is committing a breach of the work obligation.

Criminal accountability or responsibility for an economic offense or misdemeanor does not preclude disciplinary accountability of the worker if the act also constituted a breach of the work obligation.

Breaches of work obligations are set forth in this law, law, general act, or collective agreement.

**1) Disciplinary Measures**

**Article 55**

One of the following disciplinary measures may be pronounced against a worker for breaches of duty and work obligations:

- 1) public warning;
- 2) fine;
- 3) termination of the employment relationship.

**Article 56**

A public warning may not be pronounced for slight breaches of duty and work obligations as set forth in the general act or collective agreement.

**Article 57**

The fine may be pronounced to the maximum level of 15 percent of the advance against monthly personal income of the worker and may remain in effect from 1 to 6 months. The advance against the worker's personal income realized in the month in which the decision was pronounced is taken as the basis for setting the level of the fine.

**Article 58**

The measure of termination of the employment relationship is pronounced for very serious breaches of duty and work obligations, those which pertain to the following:

- 1) nonperformance and unconscientious, tardy, and careless performance of work duties and other obligations;
- 2) unlawful disposition of assets;
- 3) inefficient and irresponsible use of assets;
- 4) failure to take steps which the professional manager or worker with special authority and responsibility is required to take as part of his authority;
- 5) failure to achieve the envisaged results of work without good cause over a period of 3 continuous months;
- 6) violation of regulations on protection against fire, explosion, natural disasters, and the harmful effect of toxic and other hazardous materials and the provisions of the general act or collective agreement;
- 7) abuse of position and overstepping authority granted;
- 8) divulging trade, official, or other secrets as established by law or general act or collective agreement;
- 9) abuse of the right to use sick leave;
- 10) violation of regulations and failure to take steps to protect workers, machines and equipment, and the environment;
- 11) violation of regulations on nationwide defense and social self-protection and the provisions of the general act or collective agreement;
- 12) hindering one or more workers in the work process making it markedly more difficult for them to perform their work duties.

The measure of termination of the employment relationship is also pronounced for other serious breaches of work duties as established in law and the general act or collective agreement.

The general act or collective agreement sets forth in more detail the circumstances and conditions under which the breaches enumerated in Paragraph 1 of this article are considered a serious breach of the work obligation for which the measure of termination of the employment relationship is pronounced in accordance with the nature of the activity or the nature of the job which the particular worker performs.

## 2) Disciplinary Bodies and Disciplinary Procedure

### Article 59

The professional manager decides on the disciplinary accountability of a worker for a breach of the work obligation that has been committed and pronounces the measures of public warning and the fine.

The disciplinary commission decides on the disciplinary accountability of the worker for committing a violation of the work obligation for which the measure of termination of the employment relationship is pronounced.

The disciplinary accountability of the professional manager is decided by the body which appointed or installed that officer or body.

A separate panel of the disciplinary commission may be formed for a part of the organization located away from the headquarters of the organization to make decisions on the accountability of workers in that part of the organization.

If a breach of the work obligation has resulted in damage, the disciplinary entity makes the decision on compensation of the damage or takes initiative with the competent body in the organization to institute proceedings for compensation of the damage.

The disciplinary entities referred to in Paragraphs 1 and 2 of this article must submit a report to the competent body on disciplinary measures pronounced at least once a year.

### Article 60

In the cases and under the conditions set forth in the general act, the professional manager may delegate a part or all of his authority under Article 59, Paragraph 1, of this law, with respect to establishing the disciplinary accountability of a worker, to a particular worker with special authority and responsibility.

For the purpose of establishing the disciplinary accountability of workers whose work stations are located in the parts of the organization away from its headquarters or in a joint work community of several organizations, the authority referred to in Paragraph 1 of this article may be delegated to the supervisor of that part of the organization or to the supervisor of the joint work unit.

The disciplinary commission consists of a chairman and at least two members and the same number of alternates chosen for a term of 2 years.

Workers who have the authority of a disciplinary body as referred to in Article 59, Paragraph 1, of this law and under the provisions of Paragraphs 1 and 2 of this article may not be elected to the disciplinary commission.

The disciplinary commission may conduct business with its full membership or in a panel consisting of at least three members.

### Article 61

Disciplinary proceedings are instituted at the request of a body of self-management, the body for self-management worker's control, or the professional manager for a breach of the work obligation as referred to in Article 59, Paragraph 2, of this law, a worker with special authority and responsibility, and other workers designated by the general act, and the public defender of self-management law.

Any worker may take the initiative for instituting disciplinary proceedings.

The body of self-management which appoints or installs the professional manager will institute proceedings to discharge the professional manager and a worker with special authority and responsibility if disciplinary proceedings are not instituted within 15 days from the date when it has learned, regardless in what manner, of a serious violation of a work obligation and has learned who the offender is.

The employer decides on disciplinary accountability of workers as referred to in Article 2, Paragraph 2, of this law for a breach of the work obligation that has been committed, and he pronounces the measures enumerated in Article 55 of this law in accordance with the procedure defined in the collective agreement.

### Article 62

A request to institute disciplinary proceedings and the summons to the hearing before the disciplinary authority referred to in Article 52 and Article 61, Paragraph 4, of this law must be delivered to the worker.

The trade union is also notified of proceedings instituted before the disciplinary authority, the opinion of the trade union, if it has been submitted, must be taken into account during the proceedings before the disciplinary body.

### Article 63

Proceedings before a disciplinary body are public.

The worker must be questioned before the disciplinary body unless he has failed to respond to a properly served summons without good cause, and he may not be denied defense. At the request of the worker or with the consent of the worker, the trade union may represent him in disciplinary proceedings.

If it is necessary, the disciplinary body or worker whom it authorizes must conduct an inquiry to establish the circumstances and facts related to the breach of the work obligation.

When proceedings have been conducted, the disciplinary body declares in its decision that the worker is accountable for committing the breach of the work obligation and pronounces the appropriate disciplinary measure against him or halts proceedings against him.

If the disciplinary body halts proceedings, it notifies in writing the worker and the person who requested proceedings.

A record is kept of the questioning of the worker and of the presentation of other evidence in proceedings as well as concerning the hearing before the disciplinary body. A record is also kept of the composition of the disciplinary panel and the vote.

If the disciplinary body finds that the action whereby a breach of the work obligation was committed contains elements of a crime, economic offense, or misdemeanor, it must so inform the competent government agency so that appropriate proceedings can be instituted.

#### **Article 64**

The decision establishing accountability and the measure pronounced, accompanied by the substantiation and instructions as to the right of appeal is delivered in writing to the worker and to the person who requested proceedings.

#### **Article 65**

The worker or the person requesting that proceedings be instituted may appeal the decision of the disciplinary body in the first instance to the body of self-management or to the commission established by the general act, within a period of 8 days from the date when the decision was delivered.

If the appeal referred to in Paragraph 1 of this article has been filed only by the worker, the decision of the appeal body may not pronounce a more severe disciplinary measure than that which was pronounced by the disciplinary body in the first instance.

#### **Article 66**

The worker or social defender of self-management law may institute proceedings against the decision of a disciplinary body pronounced in the second instance before the competent court within a period of 15 days from the date when the decision in the second instance was delivered.

If the competent body in the second instance does not make a decision on the appeal within 30 days, proceedings may be instituted before the competent court within a period of 15 days after expiration of the period in

which the body in the second instance was required to make a decision on the appeal.

#### **Article 67**

The statute of limitations expires on the institution of disciplinary proceedings 6 months from the date when the violation of the work obligation and the identity of the offender became known or 1 year from the date when the breach was committed.

If a breach of the work obligation contains the elements of a crime, the statute of limitations on instituting disciplinary proceedings expires 1 year from the date when the breach of the work obligation and the identity of the offender became known.

The statute of limitations expires on the conduct of disciplinary proceedings 1 year from the date when the breach of the work obligation and the identity of the offender became known or at the end of 18 months from the day when the breach was committed.

A disciplinary measure which has been pronounced may not be executed until 60 days have passed from the date when the decision whereby it was pronounced has become valid.

#### **Article 68**

Records must be kept on disciplinary measures pronounced.

If over a period of 2 years from the date when a decision pronouncing the measure of public warning or fine becomes valid the worker does not commit a breach of the work obligation, the measure pronounced is deleted from the records.

### **3) Removal of a Worker From the Workplace**

#### **Article 69**

A worker may be temporarily expelled from the workplace of an employer or from the organization (suspension) in the cases and under the conditions set forth in the general act or collective agreement in conformity with law.

If in his behavior he commits a serious breach of the work obligation that directly threatens the life or health of workers or other persons, or if he threatens valuable property, a worker may be removed from the workplace or from the organization on the basis of a written order of the professional manager or employer or other authorized worker, but within 3 days this order must be submitted to the competent body set forth in the general act or collective agreement. A worker may also be removed from the workplace in other cases and under conditions set forth in the general act or collective agreement.

The competent body must make a ruling on the order referred to in Paragraph 2 of this article within 8 days.

**4) Financial Liability****Article 70**

A worker who in work or in relation to work intentionally or because of extreme neglect causes the organization or employer to suffer a loss must make up that loss.

If the loss has been caused by more than one worker, each worker is responsible for that part of the loss which he caused.

If the portion of the loss caused by each worker cannot be ascertained, it is assumed that all the workers are equally responsible, and they make up the loss in equal parts.

If several workers caused a loss by a criminal act with intent, they are jointly and severally responsible for the loss.

**Article 71**

If compensation of the loss cannot be established in a precise amount, or if establishing its amount would be unreasonably expensive, the general act or collective agreement may envisage that the level of compensation of the loss be established in a lump sum and may also specify the manner of determining the amount of the lump sum and the body which is to fix the level of the loss.

If the loss is considerably greater than the lump sum established for compensation of the loss, the organization may demand compensation of the loss under the provisions of Article 70 of this law.

**Article 72**

The existence of the loss and the circumstances under which it occurred, its amount, and the identity of the person causing the loss are ascertained by the competent body of the organization or by the employer.

If in the course of 3 months the worker does not make up a loss established by decision of the competent body or employer, proceedings are instituted before the competent court.

The general act or collective agreement may set forth the conditions, cases, and criteria for reducing the amount of loss or for exemption from payment of damages.

**Article 73**

If a worker suffers a loss during work or in relation to work, the organization or employer is required to compensate the loss to the worker in accordance with general principles on liability for loss.

If within a period of 30 days the organization or employer does not reach agreement with the worker on compensation of the loss, the worker has the right to seek compensation of the loss before the competent court.

**Article 74**

A worker who during work or in relation to work causes a loss to a third person either intentionally or through

extreme neglect, and the organization or employer has made up that loss, is required to make up the amount of damages paid.

**TITLE IV. TERMINATION OF THE EMPLOYMENT RELATIONSHIP****Article 75**

A worker's employment relationship terminates with his consent in the following cases:

- 1) if he declares in writing that he wishes to cancel the employment relationship;
- 2) if he agrees in writing with the authorized body in the organization or with the employer that his employment relationship will terminate.

The worker's employment relationship terminates without his consent in the following cases:

- 1) if it is established that he does not have the ability to perform the duties of the job to which he has been assigned or if he has not been achieving the envisaged results of work, and he does not accept reassignment to another job or if there is no other such job in the context of Article 18 of this law;
- 2) if in the trial period he does not perform adequately or if he is a trainee and does not pass the professional examination;
- 3) if he is absent from work without good cause for 5 successive workdays;
- 4) if within a period of 1 year from the date of establishment of the employment relationship the competent body finds that he established the employment relationship contrary to provisions of law, the general act, or the collective agreement;
- 5) if at the time of establishing the employment relationship he concealed information or supplied false information pertinent to performance of the duties and tasks for which the employment relationship was established;
- 6) if he refuses to work in the job to which he has been assigned in the context of Article 17, Paragraphs 1 and 2, and Articles 19 and 20 of this law;
- 7) if provision has been made for the worker to be taken over or assigned to another organization or another employer in the case referred to in Article 21, Paragraph 1, Subparagraph 1, or if his remaining pensionable service has been paid up in the context of Article 21, Paragraph 1, Subparagraph 3, of this law;
- 8) if he refuses retraining or additional training for another appropriate job in the case referred to in Article 21, Paragraph 1, Subparagraph 2, and the period of time referred to in Article 24, Paragraph 2, of this law has expired;
- 9) if the measure of termination of the employment relationship has been pronounced against the worker in the cases enumerated in Article 58 of this law.

Law, the general act, or collective agreement set forth the rights and duties of the worker and the organization or employer during the period required for giving notice.

The employment relationship of a worker who has completed 40 years of pensionable service or has reached age 65 terminates if the competent body of the organization or the employer, in conformity with the conditions set forth in law, the general act, or collective agreement, does not decide that the worker may remain in the employment relationship.

#### **Article 76**

The employment relationship of a worker terminates by force of law under the following conditions:

- 1) if in the procedure prescribed by law it has been established that the worker has lost his ability to work—as of the date of delivery of the enforceable decision establishing disability;
- 2) if under the provisions of law or a final court decree or final decision of another body he has been prohibited from performing certain transactions and tasks and provision cannot be made for him to perform other transactions and tasks—as of the date of delivery of the enforceable verdict;
- 3) if he must be absent from work longer than 6 months to serve a prison sentence—as of the date he begins to serve the sentence;
- 4) if a security measure, correctional measure, or protective measure has been pronounced against him lasting longer than 6 months and he must therefore be absent from work—as of the date of application of that measure.

The employment relationship of a trainee who has established an employment relationship for a specified period of time to do his training terminates at the end of the time specified for the training.

#### **Article 77**

A worker's employment relationship terminates under the conditions and in the manner set forth in federal law when proceedings are instituted for termination of the organization.

When an organization is not using resources with economic effectiveness and responsibly for the creation of income or profit, or when proceedings have been instituted for financial rescue, the employment relationship of workers in certain parts of the organization may terminate under the conditions set forth in federal law.

#### **Article 78**

The decision on termination of the employment relationship and the grounds for adoption of that decision must be delivered to the worker in writing, accompanied by notice of his right to appeal.

### **TITLE V. PROTECTION OF THE WORKER'S RIGHTS**

#### **Article 79**

In the exercise of individual rights arising out of the employment relationship, the worker has the right to demand protection before bodies within the organization, before a competent court, before the public defender of self-management law, before the trade union, inspectorates, and other agencies, in accordance with law.

The labor inspectorate exercises oversight over the enforcement of laws and other regulations on employment relations and general acts and collective agreements setting forth the rights, obligations, and responsibilities of workers.

#### **Article 80**

The worker has the right to submit to the competent bodies in the organization or to the employer requests for the purpose of exercising his rights arising out of the employment relationship and also the right to appeal decisions which those bodies issue concerning his rights, obligations, and responsibilities.

The worker files the appeal referred to in Paragraph 1 of this article with the body designated in the general act or collective agreement within a period of 15 days from the date of delivery of the decision which violated his right or from the day when he learned of the violation of that right.

The filing of the appeal referred to in Paragraph 1 of this article stays execution of the decision until the final decision is made in the organization or by the employer, except in cases set forth in law.

#### **Article 81**

The competent body in the organization or the employer must make a decision concerning the worker's request or appeal within a period of 30 days from the date the request or appeal was submitted.

The worker has the right to attend the meeting in which his request or appeal is discussed and to state his position concerning facts pertinent to making the decision.

If in the cases set forth in the general act or collective agreement a written agreement has been reached between the worker and the competent body concerning the exercise of worker rights to which the request or appeal that has been submitted pertains, that agreement has the force of an executive writ.

#### **Article 82**

Before ruling on the worker's request or appeal, the competent body is required to seek the opinion of the

trade union and if the trade union submits it, the body is required to examine that opinion and take a position on it.

The trade union may take part in proceedings before the competent body which is ruling on a worker's request for appeal that has been submitted, and, at his request or with his consent, it may represent him in the exercise of his right.

#### **Article 83**

A worker who is not satisfied with the final decision of the competent body in the organization, or if that body does not make a decision within 30 days from the date when the request or appeal was submitted, has the right to seek protection of his rights before the competent court within a period of 15 days.

He may not seek protection of his right before the competent court if he has not first sought protection of the right before the competent body in the organization, with the exception of a right to a money claim.

The professional manager or authorized worker in the organization or the employer is required to carry out an enforceable court decision rendered in proceedings for protection of a worker's rights within 15 days from the date of delivery unless the court decision fixes a different period of time.

If the professional manager or authorized worker in the organization fails to execute the order of the court within the period of time stated in Paragraph 3 of this article, that act constitutes a serious violation of the work obligation subject to the measure of termination of the employment relationship.

#### **Article 84**

A person who feels that on the basis of an advertisement or competition a candidate was chosen who does not fulfill the conditions which were advertised or that procedure for selection of the applicants was violated in some other manner has the right to file an objection within 15 days from the date of receipt of the decision on selection of the candidate.

The objection referred to in Paragraph 1 of this article is ruled on in accordance with the provisions of Articles 79-83 of this law.

### **TITLE VI. THE COLLECTIVE AGREEMENT**

#### **Article 85**

The collective agreement regulates the rights and obligations of workers employed in organizations and by an employer and also the rights and obligations of those organizations and employers in accordance with law and other regulations.

At the level of the Federation, the trade union and Economic Chamber set forth the joint bases for conclusion of collective agreements.

The collective agreement is concluded at the level of the Federation by the republics and at the level of the autonomous province in keeping with the Constitution of SR Serbia, by the competent body of the trade union, and by the competent body of the respective economic chamber, or by other associations in which organizations and employers are represented.

Collective agreements may also be concluded for particular lines of business.

#### **Article 86**

The collective agreement contains provisions on the manner and scope of the exercise of rights set forth in law and other rights which are relevant to workers and to the organization and employer, as well as provisions concerning the manner and procedure for resolution of mutual disputes.

The collective agreement also regulates those rights and obligations of workers which are prescribed to be regulated by the organization in a general act.

The collective agreement may not contain provisions which accord the worker less rights or establish less favorable working conditions than the rights and conditions established by law, and if it does contain such provisions, the respective provisions of the law shall apply instead.

#### **Article 87**

The collective agreement is concluded in writing for a specified or indefinite period of time.

The collective agreement states the manner, procedure, and cases when amendments can be sought, as well as the conditions, periods of time, and procedure for canceling the collective agreement.

The collective agreement is registered with the competent body of the sociopolitical community and is published in the official gazette.

#### **Article 88**

An employment contract is concluded between the worker and the employer in accordance with the provisions of the collective agreement and law.

The employer is required to conclude a written employment contract with the worker before the worker begins to work.

### **TITLE VII. PUNITIVE PROVISIONS**

#### **Article 89**

The organization or employer is subject to a fine of not less than 9 million and not more than 45 million dinars for a misdemeanor in the following cases:

1) if it denies a worker who has established an employment relationship for a specified period a right to which he is entitled under this law (Article 12, Paragraph 3);

- 2) if it orders a worker to work a longer workweek than specified by law (Article 24);
- 3) if it does not organize rest breaks so that work with the public is continuous (Article 28, Paragraph 2);
- 4) if in scheduling worktime it does not provide time for rest during daily work, rest between 2 successive workdays, weekly rest, and annual vacation in accordance with this law (Articles 28-31);
- 5) if it has terminated a worker's employment because he has left to serve or complete required military service or because he has been sent abroad as part of international technical or educational-cultural cooperation to diplomatic, consular, or other missions for advanced training or education, or if it denies a worker who has been elected or appointed to an office in self-management, public office, or other public position the right to return to work (Articles 34-35);
- 6) if it does not provide workplace health and safety for the workers and protection of public health in accordance with the provisions of this law (Articles 36-38);
- 7) if it does not abide by the right to special protection of workers under age 18 and women and other rights whereby maternity is protected (Articles 39-45);
- 8) if it does not assign the worker to an appropriate job (Article 48, Paragraphs 1 and 2);
- 9) if it does not pay the worker personal income at least once a month (Article 49, Paragraph 3);
- 10) if it issues a decision terminating a worker's employment relationship contrary to the provisions of this law (Articles 75-77);
- 11) if it does not execute an enforceable court decision rendered in proceedings to protect a worker's rights within the specified period of time (Article 83, Paragraph 3).

The person responsible in the organization or employer is also subject to a fine of not less than 2 million and not more than 10 million dinars for a misdemeanor for the acts stated in Paragraph 1, Subparagraphs 1-10, of this article.

The person responsible in the body of a sociopolitical community, other government agency, or local community is subject to a fine of not less than 2 million and not more than 10 million dinars for a misdemeanor for the acts enumerated in Paragraph 1, Subparagraphs 1-10, of this article.

#### **Article 90**

The organization or employer is subject to a fine of not less than 5 million dinars and not more than 25 million dinars for a misdemeanor in the following cases:

- 1) if it establishes an employment relationship with a person who does not fulfill the prescribed conditions (Article 8);
- 2) if it does not advertise a competition in the manner set forth in the general act and in keeping with law for the job vacancy of a professional manager or worker with special authority and responsibility (Article 9, Paragraph 4);
- 3) if a worker begins to work before the employment relationship has been established in the manner and under the conditions set forth in the general act and law (Articles 10-11);
- 4) if it establishes an employment relationship with the worker contrary to this law or general act (Article 12, Paragraphs 1 and 2, Articles 14-15).

The person responsible in the organization or employer shall also be subject to a fine for a misdemeanor of not less than 1 million and not more than 5 million dinars for the acts enumerated in Paragraph 1 of this article.

The person responsible in the body of a sociopolitical community, other government agency, or local community shall also be subject to a fine for a misdemeanor of not less than 1 million and not more than 5 million dinars for the acts enumerated in Paragraph 1 of this article.

### **TITLE VIII. TRANSITIONAL AND FINAL PROVISIONS**

#### **Article 91**

The organization is required to bring general acts into conformity with the provisions of this law within a period of 6 months from the date when this law takes effect.

The bases for conclusion of the collective agreement referred to in Article 84, Paragraph 2, of this law shall be set forth before 31 December 1989.

#### **Article 92**

On the day when this law takes effect, the provisions of Titles IV and V of Part Two of the Law on Associated Labor (Articles 161-226 and Article 670)—SLUZBENI LIST SFRJ, No 53, 1976, No 57, 1983, and No 85, 1987—shall cease to be valid.

#### **Article 93**

This law takes effect on the 8th day after publication in SLUZBENI LIST SFRJ.

## CZECHOSLOVAKIA

**Quality of Profits Must Be Ensured**

90EC0077A Prague STATISTIKA in Czech  
Sep 89 pp 344-350

[Article by Eng Vladimir Schiffer: "The Quality of Profits Must Be Ensured"]

[Text] As can be seen from the Federal Statistics Agency's report on the first quarter of 1989<sup>1</sup>, on 1 April there were already 1,550 newly established state enterprises with an overall number of 3.4 million employees working in our national economy.

New state enterprises continued to be set up and in connection with this they are already putting out their legal "roots" under law Nr 88/1988 of the Sbirka on state enterprises, to include section 8 concerning the self-financing of these enterprises.

Self-financing represents a new, demanding, and modern element in managing state enterprises which consists of the individual enterprises having to cover their needs and costs from their receipts or, more precisely stated, from their sales and earnings as acquired mainly from their entrepreneurial operations, as well as from other sources. Successful operation of a state enterprise and the fulfillment of its financial obligations thus cannot take place without profits as a positive economic result. In this sense profit is becoming the important synthesizing financial indicator which must receive appropriate attention in its statistical processing and analysis in the state statistical and financial auditing agencies.

This also concerns the fact that in increasing authority and independence in decisionmaking, especially at the enterprise level or at the level of the reporting unit, it will be necessary to pay special attention in particular to the correctness and credibility of profits, which from the standpoint of financial management are becoming the "key" source of the existence and further development of these economic organizations.

The quality of the profits shown in state enterprises must, for understandable reasons, receive continuous attention from the standpoint of auditing activities primarily from the appropriate branch departments and financial agencies; despite this, it is indisputable that the state statistical agencies must, within their plans for auditing activities, also have and do have the opportunity or right to verify the quality and reliability of the profits shown right at the reporting units. This opportunity or right results from the high level of responsibility of the state statistical agencies for the content of information submitted for the needs of management at the central level and the level above the enterprises, that is, for the correctness and reliability of this information which in the new economic mechanism must become one of the guarantees for certainty and objectivity in decisionmaking and an active element in knowledge at all levels of management.

**Profit as a Synthesizing Financial Indicator**

Profit is one of the specific indicators of economic results with which the management of an enterprise ends up in a fixed period of accounting. One cannot entirely forget the fact here, however, that the economic result can be, and in some cases is, loss as well.<sup>2</sup> Our further discussions will be directed mainly at the creation and reporting of profits, however, as well as at the verification of the correctness and reliability of the reported level of profits.

At the enterprise level profit is indisputably the most important and most comprehensive financial indicator which the information system of the organization provides since it makes it possible to characterize the course of the production process taking place within its economic activities in a global manner or synthesis. Among the most important phases of the production process can be included manufacturing and implementation with which the origin of the decisive amounts of expenses and earnings (including receipts) is connected and whose difference provides the profits (or losses).

The important position of profit also results from its basic functions which make possible its broad utilization in the economic management of an enterprise. These functions are:

- a)normative, since profit is the overall indicator of the results of all activities of an enterprise;
- b)distributive, since profit is the basis for distribution between the enterprise (in the form of allocations to the various funds) and society (in the form of taxes paid into the state budget);
- c)developmental (accumulative), since profit is one of the most important financial sources for an enterprise's development;
- d)stimulative, since it is mainly through profit that individual and collective material incentives are applied.

An enterprise's interest is thus an economic necessity because of not only the material incentives, but one of preserving the enterprise's existence and its development. But at the same time society also has an interest in creating profit since profit represents an important source of financing its needs. As can be seen by the specifications of the Principles for Restructuring the CSSR's Economic Mechanism, the indicators of profit take on great significance in the new economic mechanism. They require that we lay out the criteria of effectiveness in the national economy clearly and uniformly for all branches, expressing both the size (mass) and the degree of effectiveness and that we work out methods for creating and utilizing them. At the same time, "...to consider the development of net profit (profit including profits and losses from foreign trade after calculating out the normative taxes and penalty payments as a source to meet the developmental needs of the organization, to stimulate wages, for expenditures for the enterprise's social consumption, and for other payments

into the state budget) as the criterion for the development of the size (mass) of the effects on the level of economic organizations."<sup>3</sup>

In the creation of profit it is also possible to document with what effect the process of production took place in the enterprise, how it acquired new financial resources through its activities, and how much new resources it gained in excess of those which it input (consumed) in the economic operations. It is therefore justifiably required that, in order to strengthen the khozrachet system of financing the needs and material incentives of the enterprises, first of all the role of profit must be increased, including its share and amount in the sources of financing. It is therefore highly important that the pertinent employees of the state statistical agencies also be aware of the significance and importance of profit and distinguish between what is substantial and what is not substantial from the standpoint of effectiveness or positive contributions of a given auditing action in an optional audit of it.

#### On Determining the Creation of Profit

The enterprise's economic result is determined by comparing expenses and earnings for an established accounting period; this comparison results in a difference which is in the nature of a profit if the earnings are greater than the costs or a loss if it is the other way around. The basic prerequisite for determining it and its usefulness for management is the comparability (commensurable nature) of the substance and time of the costs and earnings. Without checking the documentation of costs and earnings it is thus not possible to verify the accuracy of the reported profit (or losses). It is therefore also necessary for the auditor to understand these concepts well and it is further necessary for him also to know the methods for determining the creation in the book-keeping of modern accounting.

It can be seen from the accounts chart for the economic organization that costs and earnings are studied in accounting in various groupings and from various standpoints (aspects); that is, by accounting class: 3 - Primary costs by type, 4 - Cost center costs according to activity and other costs, 5 - Cost center earnings according to activity, 6 - Costs for effecting and transferring output, and 7 - Earnings and items adjusting it. This makes it possible to determine the creation of profit in accounting from a number of aspects and in various compositions by comparing the appropriately classified costs and earnings.

Current practices utilize these capabilities as far as the creation of profit is concerned so that this indicator is determined or calculated during the course of a year outside the accounts system in both state accounting reports (Results Report Accounts 1A - 12 and Costs Account 8A - 02) and in state statistical reports (for example, Average 2 - 12, Status 2 - 12, General 2 - 12) and at the end of the year also in the accounting system based in the aggregate documentation book (the main

book). From the standpoint of verifying the correctness and reliability of the reported profit both aspects have a specific significance; it is obvious that the overall amount of the enterprise's profit determined in the accounting system and outside this system in the state reports must simply be in agreement.

#### Information from Verifying Profit

The effectiveness of each verifying action is affected not only by its immediate execution, but also by the quality of preparations. The utilization of general information from similar audits in the appropriate field is also a great contribution in this area. Because the state enterprises have been operating for only a short time so far in their new legal form and under the changed conditions, it is suitable to utilize earlier experience and knowledge in preparing the audit of profits. In doing so, it is desirable to orient the information from those earlier audits mainly at discovering deficiencies, since their classification by type and generalization can significantly establish the auditing agency right in the preparatory phase by selecting the suitable control tasks and setting up the optimum control procedure.

It is, however, a good idea to anticipate that the deficiencies discovered are variously difficult to uncover or determine and that they are very variable and thus it is not even possible, with regard to the desirable length of this article, to name or typify all of them. Deficiencies are determined both in the field of documentation of primary costs by type and in the documentation of cost center costs, as well as in the documentation of cost center earnings and earnings (receipts) from executing and transferring the outputs of production and nonproduction activities. Inaccuracies discovered in the documentation of exceptional costs and earnings obviously also belong here.

Information from the various auditing actions (including those which are carried out by the state statistical agencies) show that among the most frequently discovered deficiencies in verifying profit in the area of costs include:

—entering purchased material and fuel after they have been received directly under consumption (in costs) even though it has actually not been consumed in the current accounting period; this is a gross lack of discipline which has the effect of distorting a number of indicators (absolute and relative), including profit and the origin of undocumented supplies;

—accounting for small items with acquisition costs of up to Kcs 60 directly into costs (consumption of material) after they have been issued for use without the enterprise having the agreement of the appropriate central agency;

—incorrect financing of investment-type actions from operational resources and their accounting under operational costs as maintenance and repair;

- including independent transportation connected with acquiring capital investments under costs for transportation;
- reporting a greater amount of kilometers driven by motor vehicles on the highway (both trucks and passenger cars) in an attempt to show a higher consumption of fuels and, in some cases, a claim for higher allocations, etc.;
- including the bill for the designer's supervision at construction projects and the bill for assembly of basic assets performed by the supplier on the account for other outputs of a material nature;
- accounting for the write-off of small items of an acquisition price from Kcs 60 to Kcs 300 at the level of 100 percent of their acquisition prices when they are issued for use under costs (under account 324 - Writing off items of continuous consumption in use) without the agreement of the appropriate central agency;
- incorrect accounting for amounts of claims applied to non-investment suppliers for materials not delivered (missing) under costs (under account 309 -Price differences in materials and fuel);
- the issuing of work clothing, shoes, and protective personal work aids above the established regulation published by the audited enterprise;
- not entering goods and work which has been received, but not yet billed for (for example, machinery received from the supplier after a general overhaul for which he has not yet sent the bill) into the appropriate cost items. This lack of discipline causes a significant distortion and at the same time an "improvement" in profit and has a serious negative effect in the form, for example, of payment out of unearned annual bonuses to the enterprise supervisors in a case where these cost items are shifted from the month of December to January of the following year;
- giving special bonuses under the account of wage expenses for activities which are not connected with carrying out the work assignments (for example, for successful completion of studies at a middle school for employees);
- paying bonuses for work performed outside the work relationship (as with other personal expenses) appropriate to the work assignment of employees of the audited enterprise;
- performing uneconomical or unauthorized business trips, especially in the personal vehicles of the employees of the audited enterprise, or commuting from one's home to work in, an official vehicle;
- not enforcing fines and penalties against the audited enterprise for unmet obligations or duties;
- reducing the fines and penalties paid (in account 377 - Fines and penalties) in the audited enterprise by the fines and penalties which the enterprise is currently claiming against other organizations and which it often is not clear beforehand whether and to what amount they will be covered at all;
- not enforcing the replacement of deficits and damages for the responsible persons or enforcing them at an incorrectly low amount;
- writing off fixed assets or articles of continuous consumption in use at incorrect amounts or rates, delayed accounting of write-offs, etc.

One discovers other deficiencies which still continue today as well, such as in the area of advertising which is incorrectly distributed and in the accounts of costs for articles purchased (even with the enterprise symbol) with a use value such as, for example, various shawls, scarfs, vases, briefcases, wallets, etc. which, however, actually serve as gifts for the conscious support of the subjective goals of some of the economic employees of the enterprise. To various degrees of intensity one also discovers deficiencies in handling the funds for providing hospitality, refreshments, and gifts, such as, for example, at celebrations of important milestones in life for supervisory personnel, the transfer of functions between supervisory personnel in the enterprise and thus the "farewell" to the old employee and the "greeting" of the new supervisor, or it is used up for "refreshments" not permitted, especially for the purchase of alcohol, etc.

We also to date are finding a number of deficiencies in the area of receipts and earnings. Cases repeatedly occur, for example, of premature billings, that is, billings for work which has not yet been performed or deliveries of products not yet made (especially at the end of the year) which distort the fulfillment of the plan and unjustifiably increase the profits; among other, equally serious deficiencies, we find cases where the outputs achieved (products, services, and labor) are billed according to incorrectly set prices or at prices which have not been set. There also occurs misuse of price advantages of the supplier and on the contrary not recognizing the supplier's price advantages for the customers in accordance with the price regulations, there is deliberate lumping of purchased subdeliveries into the value added of the audited enterprise, the capitalization of material produced in their own purview is incorrectly valued in the actual production costs (the wholesale price should be used), damages covered by insurance are not accounted for in the earnings or show up in a different year than when those damages were entered as costs for the audited enterprise or earnings are accounted for late or in another accounting period, etc.

In some organizations to date the losses from poor quality production are not followed as a component of the system of intra-enterprise khozrazchet and losses are not put against the collectives and individuals who caused them. The documentation of losses from poor

quality production is not always reliable and conclusive because the spoiled work in some cases is studied and entered in the books only after some time has passed and then not uniformly. Claims are not set up consistently, recognition of their correctness is put off, and many times there is even an attempt to adjust them in the form of various allowances in later deliveries and economic contacts.

#### **Auditing Tasks in Verifying Profit**

Even though we have by far not included all the deficiencies discovered or the deficiencies with which one must reckon or foresee in connection with the formation of profit, it is obvious that this concerns an extensive area of auditing actions which involve a great number of demanding and difficult auditing tasks.

In selecting the auditing tasks which are suitable for verifying profits, it is necessary first of all to be aware that the weight of the deficiencies discovered will be different, as will their impact on the quality and reliability of the reported and distributed profit and thus also their impact on the interests of society as a whole and the quality of the statistically processed indicators. The auditing agency must therefore judge the documentation in this area especially with great sensitivity and evaluate the deficiencies discovered in the broadest circumstances in which they occur.

Thus, for example, some items which are incorrectly entered as costs, but then on the other hand their incorrect entry is carried over in the same amount as earnings certainly do not distort profit as such; however, other important indicators will be distorted, such as the consumption of material, other outputs of a material nature, and receipts from effecting the outputs of specific activities, and thus also some relational indicators which are calculated from these absolute indicators, such as the payback indicator, for example, according to which some enterprises to date have been paying taxes from profit to the state budget. In this area it is a matter especially of incorrect bookkeeping on some items (entering them into costs and into earnings) which represent a direct expenditure of funds for cultural and social needs; this is the case, for example, when the plant committee of the ROH [Revolutionary Trade Union Movement] decides on expanding or newly equipping a recreational facility with small, short-term articles from the resources of the fund for cultural and social needs and the write-off of these articles is entered for 100 percent of their prices of acquisition directly on the account of this fund. This also includes the discovery of errors as far as they concern entering external subdeliveries of outputs under costs, the sale of goods in the plant canteen (the remainder over the cost of acquisition after subtracting the trade discount), etc. and on the other hand entering these articles under earnings without using the appropriate accounts reducing the earnings, for example, account 705 - Billing subdeliveries at the acquisition price, or account 706 - Sale of goods at the acquisition price.

The accuracy of the balanced profit is affected by a number of factors to which special attention must therefore be paid in selecting the auditing tasks and in the verification process itself. This is not just a matter of the field of costs and earnings (including receipts), but also of the documentation of uncompleted production where one also discovers various deficiencies, starting with incorrect pricing and ending with entering a greater volume of production in progress in an attempt to achieve fulfillment of or even exceeding the production plan and savings in material and wages as well. Further there is the documentation of semifinished goods of one's own manufacture where deficiencies in pricing, timeliness of accounting, or other negative phenomena occur as well; semifinished goods of one's own manufacture at some enterprises sometimes are even deliberately exchanged for material of one's own manufacture in an attempt to improve at least the "paper" fulfillment of the output plan, etc.

Incorrect documentation of products in the warehouse can likewise lead to a distortion of profit, without regard to products which are difficult to sell or low quality products, etc. In the audit it is necessary to pay particular attention also to the field of time differentiation of costs and earnings, where deficiencies and mistakes can be hidden which (sometimes also deliberately) significantly affect the amount of profit reported. It is just this time differentiation (especially of costs) by which "assistance" at some enterprises "improvements" are made in the profits according to their own intentions and needs in conflict with society's interests. In this area it is primarily the accountants who must be aware of their responsibilities in misusing the institution of time differentiation of costs and earnings and must therefore more decisively sometimes also reject the pressures from managers requesting the bookkeeping employees to perform time differentiation of costs and earnings in cases where they are not permitted or allowable in an attempt to achieve the desired level of profit even by methods which are not permitted.

It is understandable that just the bookkeeping employees are not and cannot even be responsible for all the deficiencies discovered; the bookkeeping is only a reflection of the actual facts which affect their work and their attitude in performing the work tasks, primarily the employees outside accounting from the various elements inside the enterprise. The auditing agency must therefore determine in a sensitive and thorough manner the personal responsibility for the deficiencies discovered, for which sometimes the accountants did not have the slightest responsibility depending on the specific circumstances.

In audits in this area it is thus necessary to anticipate that the profits of some enterprises mix in with the results achieved by the honest efforts of enterprise employees and the units within the enterprise also those results which have been achieved in conflict with the interests of society (for example, by reducing the quality

of products, changing their assortment during production, the production of outdated products, production for the warehouse without determining whether there is a market for the products, not providing maintenance, not utilizing and neglecting technical developments, unjustified growth in wages or completion costs, neglecting work safety, air and water pollution, etc.).

It is therefore a good idea for the auditing agencies in preparing for this auditing action to evaluate not only their own information gained by a study of the material submitted and the appropriate legal regulations, but also deficiencies discovered in this area by other agencies as well and to take them into account as well in selecting suitable and effective auditing tasks and in working out the audit procedure within the framework of the established program of audits.

### Conclusion

If profit is to be one of the most important qualitative indicators for the evaluation of enterprises' operations in the new economic mechanism, it must be reported at the correct level. Under these conditions it properly expresses the efforts of the employees of the individual enterprises and their contribution to society.

The new economic mechanism, from which we justifiably expect a basic turn around in our economics, cannot possibly be effected in the desired direction from year to year, however. As is being emphasized from the highest management positions in our national economy, it is a continuing process during which it is necessary to put down not only a firm basis for the gradually implemented changes, but also to carry out thoroughly and at the same time tasks and requirements in which the society justifiably has an interest, that is, primarily the tasks of the Eighth 5-Year Plan, which include as an important task the creation of profit for the state enterprises which must be carried out, but only by regulation procedures and means.

In the area of management and auditing this specifically means not closing our eyes to deficiencies which continue in the documentation and reporting of the economic results of some enterprises. Along these lines it is not possible to pull back from the requirement that each enterprise report the creation of profit in the amount that corresponds to the level of its economic activities and the efforts put out during a specifically established period of time (the month, quarter, and year) while following all legal and procedural regulations. To a certain degree, the future successful functioning of the new economic mechanism and within it also the law on state enterprises depend on this. Therefore the effective verification of the profit indicators takes on new qualities and benefits for economic management from this aspect, which is something that the employees of the state statistical agencies should also strive for. This article therefore was aimed primarily at stimulating also the employees of the state statistical agencies, particularly in the processing sector, and to stir up their greater

interest in this field of auditing the reporting units as well. This is not a simple or easy task, since it requires considerable professional practical (and theoretical) knowledge and, obviously, experience as well. Its performance, however, indisputably will contribute to improving the quality of information submitted by the state statistical agencies and to the growth of importance in state statistics in general.

### Footnotes

1. RUDE PRAVO of 21 Apr 1989
2. As can be seen from the report of the FSU [Federal Statistical Agency] cited, almost one-fifth of the enterprises operated at a loss.
3. See "Specification of the Principles of Restructuring the CSSR's Economic Mechanism" point 2.2, item c), page 6 of the appendix to HOSPODARSKE NOVINY, No 13/1987

### Progress in Robotization Claimed

90EC0034B Bratislava PRAVDA in Slovak 2 Oct 89 p 1

[Unattributed article: "Second Wind for Robotization"]

[Text] Statistical data on progress in meeting the state target plan for Robotization of Technological Processes encourages a degree of optimism. Between 1986 and 1988 we have set up 2,462 robotized work sites, nearly 400 more than scheduled. CSSR organizations fulfilled their targets in robot production to more than 100 percent, and moreover greatly exceeded the goals in introducing higher forms of supply. Indications are that the objectives of the eighth Five Year Plan may well be met in this area.

But what happens when we look at robotization in terms of qualitative indicators and begin to measure progress in research and development by another yardstick used in the world? Then we will see somewhat diminished satisfaction with the fulfillment of this targeted program. The high number of work sites with robots "soared" because the enterprises and plants implemented only the easier solutions—work sites with manipulators and limited-purpose [uceľove] robots. This trick did improve the statistics but not much of the economic gain visualized by the plan in saving labor and raising productivity. And there was a virtually explosive increase in the imports of robotic technology from nonsocialist countries. Many users, arguing that domestic technology is expensive and undependable, placed their bets on renowned foreign firms. In the final reckoning they spent thus nearly two billion foreign currency korunas, seven times more than envisaged in the plan....

In the triangle research-production-utilization we continue to hear the old tired song, with the same refrain: the parameters of Czechoslovak robots are inferior to those bearing the label of top foreign manufacturers. Introduction of robotized work sites in our country

involves high investment and non-investment costs, often the result of the high acquisition cost of the robots and peripheral equipment and the unavoidable cost of design and construction preparation of the work site. And the factories always come out on top economically when using the cheapest resource—live human labor.... Robots developed and produced in the CSSR and CEMA countries do not make possible automatization of entire production processes. There is also a shortage of producer and supplier capacities which leads to long terms for delivery. A special chapter is the situation in our domestic parts and clearing-house base: It will not let research and production go very far except for innovation on lower levels. The supplier's monopoly and the customer's powerlessness remain in force. When the Metal Industry Research Institute in Presov became stymied by the poor quality of the circuit boards supplied by the Computing Technology Works in Námestov and Banská Bystrica and the quality of control systems supplied by the ZPA [Industrial Automation Works] Presov, the pressure that had to be generated involved even the Party's *kraj* committees....! In the end the researchers concluded that the only way out for them will be to help themselves—they are already beginning to set up their own electronics production base.

At the CPSL Central Committee meeting last June which focused on ways to accelerate research and development progress Jozef Lenart, Presidium member and CPCZ Central Committee secretary, said in regard to a better utilization of our creative potential: "The world's experience in enterprising teaches us that we must reform radically the sequence in the research-development-production-utilization cycle. This means abandoning the 'linear relay model' and moving on to a synergic, almost parallel model of the stages in the research-development-product on-utilization cycle which permits a much shorter road between the idea and the final return on production investment." Indeed, life experience really teaches us that in robotization too we will not advance significantly unless we abandon the administrative model of management. The state target program was drawn up for this Five Year plan so that the final targets were assigned to organizations as directed tasks. But the "game" of exerting pressure failed to bring the desired results: analyses show that often robots were produced because the organization had them among its assigned tasks, and some other organization installed robots because that too was their assigned task.... So while we gained some partial results and experience, the resources and forces that were expended would have allowed us to make greater headway in robotization.

By no means all the producers or users should be thrown into the same bag. The heavy engineering enterprises ZTS Detva, ZTS Dubnica nad Vahom, ZTS Bardejov and the Vihorlat Snina have understood that avoiding new technology will cost them dearly. To give an example, producing presses without automated controls and operation today means a commercial failure in advance. Another evidence of a purposeful action is

supplied by the recently founded association of application centers. Thirteen Slovak enterprises have combined their forces to effect a substantial improvement in the situation and condition of the production base in non-engineering branches. The impulse came from the SSR Government which in its decree no 110/88 binds interested parties to intensify the development of comprehensive automation with the use of robotics. And this is precisely what is required in the footwear, ceramic and rubber industries where the road to robot introduction has been the least paved. Another good example of an offensive approach: the Czechoslovak-Soviet science-production association ROBOT in Presov. This is a polygon providing for the testing of new, more short-cut forms of the work of international collectives. The association has come up with a new sort of activity: engineering for a comprehensive automation of engineering plants. It is also beginning to carry out successful operations with new nontraditional technologies supplied "key-ready": liquid-torch cutting, electron welding, laser technologies.

The restructuring of the economic mechanism should give literally a second wind to all who are in a position to accelerate and push for a wider application of robotics in practice. More than in the past, the new economic rules support enterprising spirit, undergird the state enterprises' interest in applying progressive technologies as the main source of the organization's revenues and capital accretion. Even though right now, in the initial period of operating in the conditions of *khozrachet* and self-financing, we see a certain paradox—a declining interest among other things also in the production and installation of robotics! Senior managers in factories admit openly: yes, circumstances force us to figure out the options. If we want to create development funds permitting us to stand on our own feet, first we must begin with savings. And we save where presently it hurts the least—on technical advances, technological modernization.

Such a shortsighted "survival" vision calls only for condemnation. But is that enough? The research institutes and new state enterprises ultimately conduct themselves as the economic rules permit them. The program of a comprehensive automation with the utilization of robotics cannot be presented merely as a demand "from above" but rather as an economic inevitability for enterprises and factories wishing to raise labor productivity and product quality, thus enabling them to face world competition. More power than presently is the case should be given to the economic tools of management which would motivate (and not merely sanction) introduction of new technologies. We do not have in mind here the method of "holding the palm open," the opening up of the state treasury, but rather the application of targeted financial incentives such as differentiated levies, taxes, the granting of advantageous state credits, and the like. Thinking in a new way, in economic terms, is something taught especially by economic rules. And this applies not only to the area of robotization.

## YUGOSLAVIA

## Economic Ties With South Korea Explored

90EB0035A Zagreb DANAS in Serbo-Croatian  
3 Oct 89 p 56

[Article by Borislav Korkodelovic: "So the Ice Was Broken: First Meeting of Yugoslav and South Korean Economists in Ljubljana"]

[Text] On a recent gloomy, chilly, foggy Ljubljana morning (15 September), persons who wanted to learn from the experience of others gathered in the Iskra electronic enterprise conference hall to attend a round table discussion on the subject of the Republic of Korea and Yugoslavia, countries which do not have diplomatic relations but which are cooperating more and more closely in various areas, and that of the economy in particular.

This was a rare opportunity, according to Brane Gruban, Iskra's energetic public relations director, to listen to the experience of respected economists, cultural affairs experts, and political scientists from this Eastern Asian country, which has had one of the highest rates of growth over the last 3 decades, coming from a backward economy to one of moderate size. The host of the first meeting of this kind in Yugoslavia, Dr Marijan Svetlicic, director of the Center for International Cooperation and Development in Ljubljana, expressed interest primarily in the economic development South Korea, five of whose firms are among the 500 largest in the world in the area of mining and industry.

That the Ljubljana meeting was a good occasion for raising the veil on the "economic miracle on the Han River" was also indicated by the fact that the guests included persons who devise the development policies of two these firms, Mr Choi Myung-kul, president of the Daewoo Corporation's research institute, and Dr Kee-Woosik, advisor to the Lucky Goldstar consortium. They are numbered among the four largest South Korean conglomerates, the so-called chaebola, which together create 25 percent of the gross national product (which was worth 156 billion dollars in 1988). As was pointed out by Svetlicic's partner, Dr Kim Seong-jin, president of the International Cultural Society of Korea (ICSK), "there have not been many contacts between our two countries because they have been oriented toward different historical processes, but since the Olympics in Seoul and the opening of an agency of the Economic Chamber of Yugoslavia in my country, many Koreans have begun to evince increasing interest in various aspects of life in Yugoslavia, including history, culture, and foreign policy." Kee spoke specifically about the Yugoslav economy and the current crisis. He suggested that enterprises rely more on foreign loans, and that there is no need to reject completely the planning function of the government, especially when the leadership makes short-term economic decisions. This function is criticized because some Yugoslav enterprises receive

cheap loans, he said, and that has happened to Korean companies as well. But our government is highly selective and, with the aid of plans on priority incentives, has created the possibility of acquiring profit, funds, and loans.

Kee drew particular attention with his statement about South Korea's experience in the struggle against inflation. "Over the period from the beginning of the 1960's to 1965, we had a very strong and uncontrolled upsurge of inflation. We applied a number of measures, one of which was establishment of a national tax administration. It was a very powerful administration from the viewpoint of the priority of direct collection, accounting, and harsh penalties for enterprises committing violations in payment of taxes. We increased the collection of funds substantially and simultaneously reduced consumption to a moderate level." Dr Kee stated that the role of the government in earlier economic development was dominant and impressive. "But it must be said that, at the same time, the greater part of economic growth took part in the private sector, not the public. In my opinion, the relative size of the public sector under the jurisdiction of the government has to be reduced in order to strengthen the market mechanism. This would make possible, as in our country, the emergence of a much more dominant and autonomous role for the private sector. It is impossible to change the direction of this trend and continue with it," concluded Dr Kee.

Kim Ki-hwan spoke about "foreign technologies and Korean economic development." He expressed the opinion that the experience with transfer of technology to his country was "strange, even ironic." Informal channels of technology transfer (foreign buyers of Korean products, procurement of machinery and equipment abroad, training of students at foreign universities, establishment of research institutes for development of domestic technological capabilities) proved to be more important than the formal ones (direct foreign investment, technological licensing agreements, technical assistance programs administered by foreign governments and international organizations). He said that the South Korean authorities were "excessively conservative" with respect to direct investment and technical licensing agreements. Consequently, foreign capital represented only 20 percent of total investment from 1962 to 1968 and has increased in importance only over the last 6 or 7 years. The same is true of technical licensing agreements, 70 percent of which have been signed since the beginning of the 1980's (5,443 agreements were signed through 1988).

Dr Kim stated that the importance of technology transfer often escapes attention when foreign customers have bought South Korean goods and dictated the design, quality, and completion periods, and in effect have transferred technological knowhow. Such is also the case with purchases of industrial machinery and equipment, this involving training of South Koreans by foreign firms. Dr Kim devoted special attention to training abroad, both under technical assistance programs and

especially through individual initiative in leaving to study at foreign universities. Because of its importance under the geopolitical conditions prevailing in the world, especially during the cold war, Korea has been the chief beneficiary of technical assistance, and American technical assistance in particular. When a significant number of government officials are trained through such programs, there are major and important consequences for the economy. Had they not participated in the programs, these people would have formed a sort of opposition to change, and so they became advocates of the new policy and strategy of openness to the world. The same is true of the students, 500 to 600 of whom left each year to study abroad in the 1950's and 1960's. In 1979 the government lifted all restrictions on study abroad, and currently from

4,000 to 8,000 persons are studying abroad each year. In 1988, there were more than 34,000 South Koreans studying in North America, Europe, and almost every country in the world, Dr Kim concluded.

After the 5 hours of the momentous exchange of opinions by South Korean and Yugoslav intellectuals, Ljubljana was bathed in sunlight. Sunny also was the disposition of all those who sat at the round table; this was expressed best by one of the guests, information and culture minister Lee Kwang-pyo, who said that culture can serve the purpose of establishing contacts between countries and through frequent tours often breaks the ice and opens the door to other contacts.

## HUNGARY

## Grants From Soros Foundation Announced

## Support for Democratic Organizations

25000529 Budapest HETI VILAGGAZDASAG in  
Hungarian 21 Oct 89 p 71

[Unattributed article: "Soros Scholarships—Autumn Decisions"]

Contestant	Support in Kind	Financial Support (in forints)
"2000" literary and social monthly magazine (Budapest)	computer, laser printer	
Left Wing Alternative Association (Budapest)	stencil duplicating machine	
Bicske City Representation Association	photocopying machine	
Bp-iMDF Newsletter editorial office (Budapest)	computer	
Budakeszi Island Club	photocopying machine	100,000
Cultores Pacis Catholic Priests' Association (Ketsoprony)		70,000
Dorog Environmental Protection Association		800,000
Danube Circle	photocopying machine	300,000
"South-East" editorial office (Bekescsaba)	computer	
Hungarian League for Human Rights (Szentendre)	photocopying machine	50,000
Esperanto Tourist Club (Budapest)		50,000
Esztergom Cultural Association		100,000
Evangelical Youth Association (Budapest)		100,000
Eotvos Notebooks (Budapest)		150,000
Youth for a United European Culture (Budapest)		100,000
Godollo Opposition Club	computer, stencil duplicating machine	200,000
"Third Party" editorial office (Budapest)		200,000
Hatvan Public Cultural Society	stencil duplicating machine	100,000
Heves County Transylvania Society (Budapest)	photocopying machine	
Holocene Nature Protection Association (Miskolc)		279,000
"Ipoly" newspaper (Balassagyarmat)		200,000
"Kalasz" newspaper (Budakalasz)	computer	
"Korfordulo" newspaper (Budapest)		250,000
Kalevala Friendly Circle (Budapest)		300,000
Catalyzer Office Ltd. (Budapest)	photocopying machine	
Kelenfold Residents Association		100,000
Karoly Kos Guild (Budapest)		100,000
Liberal Club (Budapest)	stencil duplicating machine	100,000
Liget Forum Openness Working Group (Budapest)	photocopying machine	
"Worker and Solidarity" newspaper (Budapest)	photocopying machine	250,000
Hungarian Psychology Chamber (Budapest)	photocopying machine	100,000
Hungarian Student Historians Association (Karcag)		200,000
"Mecs" publication (Budapest)		20,000
National Association of Persons with Large Families (Sopron)		100,000
Association of Persons with Large Families (Szekesfehervar)		38,000

[Text] At its September 1989 sessions the Soros Foundation Committee of the Hungarian Academy of Sciences [MTA] presented new awards. This year's listing of support awarded on the basis of competition to organizations is reported in this week's issue, and the listing that shows so-called general requests and dollar awards will be presented next week.

Contestant	Support in Kind	Financial Support (in forints)
"Nappali Haz" newspaper (Budapest)		300,000
"Pres" public affairs newspaper editorial office (Gyongyos)		120,000
Petro House Literary Society (Miskolc)	photocopying machine	
Political Knowledge Dissemination Circle (Budapest)		300,000
"Rege" newspaper (Veszprem)	laser printer	
Rakoczi Society (Budapest)		100,000
Szada's Friendly Circle		50,000
Szeged Tomorrow Studio		200,000
Szolnok Hungarian Democratic Forum [MDF] Environmental Protection Committee		200,000
Sagujfalu Village Beautification and Cultural Society		50,000
"Tarjani Tukor" newspaper (Salgotarjan)	computer	
Tata Gymnasium Alumni Association		50,000
"Tubus" newspaper (Tiszadob)	photocopying machine	100,000
Tiszafoldvar Citizens Association		100,000
Madach Circle of Vac		100,000
"Zalataj" newspaper (Zalaegerszeg)	telefax machine	
Citizens of Ujpalota Friendly Circle and Cultural Society	photocopying machine	
<b>TOTAL</b>		<b>6,227,000</b>

**General Awards, Dollar Grants**

25000529 Budapest *HETI VILAGGAZDASAG* in Hungarian 28 Oct 89 p 22

[Unattributed article: "Soros Scholarships—Autumn Decisions II"]

[Text] Our last week's issue presented the first part of the awards made at the September 1989 session of the Soros Foundation Committee of the MTA. Those awards were made for the "support of democratic organizations" in response to application. The following are is a listing of general awards and dollar grants.

**General Awards**

Name	Financial Support (in forints)
Gabriella Gidro, language teacher	travel expenses
Oroshaz Red Cross Diabetes Club	38,000
"Permanent Wave" publications series*	350,000
Budapest 15th District Handicapped Children's Nursery	200,000
Lajos Kossuth's secretary's Karoly Kokas diary	85,000
Hungarian Medical Students' Association	150,000
Kiskunhalas City Youth Workshop	100,000
Sandor Ferenczi Psychiatric Association	250,000
Sandor Foldvari, bibliographic research	75,000
MTA Regional Research Center, Kecskemet	computer
Mrs Sulyok, Dr Zsuzsa Frisnyak and Erzsebet Molnar—Hungarian railroad history	100,000
Ferenc Merei Memorial Committee	300,000
KLTE allied studies in history, chair	400,000
Istvan M. Feher, Heidegger conference	252,000
MTA Geographical Sciences Research Institute, Hungarian small region survey	300,000
Zsuzsa Miklos, archeological research	130,000
Erzsebet Adam, musician, study trip	30,000
Katalin Burai, educational program for Gypsy children	72,000

## General Awards (Continued)

Name	Financial Support (in forints)
Health Education Program (Eva Monspart & associates)	200,000
Ujpest Family Center, existential minimum exhibit	950,000
Akos Kovacs—Erzsebet Sztrcs, cultural anthropology of stalinism	180,000
Laszlo Rajk Specialized College	990,000
Budapest Brass Musical Association	200,000
Andras Arato, talking computers for the blind	660,000
National Szechenyi Library, book purchase	100,000
Autism Research Group, experimental nursery	450,000
Bem Folk Dance Ensemble	300,000
Attila Jeno Balasko, educational program for the blind	130,000
Eva Timar, Jewish religious textiles	194,000
Ferenc Kiss Nature Protection Society, Szeged	250,000
NME Bolyai Specialized College, Miskolc	300,000
Gyorgy Bretter Specialized College, Nyiregyhaza	500,000
Mrs Tibor Baranyai, Latin textbook, scholarship	144,000
Elementary School for students with bad sight, teaching aids	81,000
Total	8,453,000
Contestants marked with * have received previous support	

## Grants Awarded By New York Soros Foundation Not Yet Publicized

Name	Financial Support (dollars)
MTA Library Committee, source publications purchase (4 years)	52,000
Hungarian National Archives, machinery purchase	30,000
DOTE students' scientific circle, student travel support	2,500
National Szechenyi Library, microfilm copier	2,500
ELTE AJTK international law department, participation in student contest	3,308
MKKE Laszlo Rajk Specialized College, student exchange	1,995
ELTE AJTK Roman law department, travel costs	7,639
VITA, Ltd. printing machine purchase	30,000
Peregrinatio Foundation, ELTE, international relations	50,000
Total	179,942

Between March and December 1988 the Brothers' Foundation and Soros Foundation donated free of charge 50 million forints worth of medicines and medical materials. The medicines were used by university clinics and county hospitals. The free medicine program continues.

## ROMANIA

## Bucharest Wine Speculators Exposed

90EB0097A Bucharest SCINTEIA in Romanian  
22 Oct 89 p

[Article by Ion Marin: "Firm Response to Displays of Dishonesty and Speculation"]

[Text] In our society, which is a society of work, honor, and social fairness, one in which the principles of socialist ethics are consistently promoted, instances of dishonest behavior, speculation, and corruption by individuals making a good living, no matter how few in number, do great harm to the social values cultivated by the new system and represent gross defiance flung in the face of the many millions of workers. For this reason they can by no means be tolerated or treated with leniency. Just the opposite, as is demanded by the workers who have written to our editorial staff recently and as has been demonstrated by the discussion of cases of this kind, law enforcement agencies, other institutions maintaining order in society, special inspection agencies, and worker control teams must act promptly and firmly to put an end completely to such abuses committed to the detriment of the public by corrupt elements determined to get rich at any cost.

The incidents to which we refer in our ongoing investigation must be eliminated, eradicated, once for all.

In recent days several citizens reported a strange incident that took place in Piata Traian [Trajan Square] in Bucharest. Rather than take delivery of the 4 tons of potatoes which had just arrived and put them on sale, the manager of a shop sold the entire amount to a speculator. A whole truckload of potatoes! Although it seems almost incredible, law enforcement authorities have verified the event and have stated that it has been fully confirmed. But this is not the end of the story. We present here a concise account of the incidents and the chief figures involved. On 2 October 1989, manager Lazar Ionel took delivery from driver Frintu Viorel of 4,000 kg of potatoes sent from the Ialomita Vegetable and Fruit Enterprise. Without even having the truck unloaded, he sold the entire amount (for 1 leu more per kg) to Ahmed Constantin, an inveterate repeat offender speculator, who immediately transported the potatoes, in the same truck, to Piata Rahova after he had taken possession of them. And here he started selling them at 7 lei per kg. And so the manager pocketed 4,000 lei, the driver also got his cut, and the speculator stood to gain 2 to 3 times as much.

Of course, no tolerance should be shown such individuals. Research has also shown that these speculators commit these acts more than once. As an example, manager Lazar Ionel once before sold 2 truckloads of table grapes, with driver Petre Petre as accomplice. While citizens were waiting for grapes on the market, they were sold in Glina Commune in the Ilfov agricultural area by the hundreds of kilograms for winemaking, but at the price of first quality table grapes. The offenses committed by these individuals cover a broad range: embezzlement, forgery and passing forged documents, direct sale from warehouses, concealment of stolen goods, and speculation. The punishment meted out will undoubtedly fit the crime.

On several occasions citizens have pointed out to us that various public places swarm with a separate breed, speculators who offer all kinds of goods for sale at twice or three times the normal price, most of them bought for resale directly from state trade outlets or warehouses. Far from being ordinary idlers, these parasites represent a serious social danger, not only because they violate the law like robbers and scorn the honest existence of workers, but also because some of them manage to accumulate large amounts of goods taken out of the commercial system, thereby creating artificial shortages and imbalances in meeting public demand.

For example, a certain Romeo Stanescu bought 120 1-liter bottles of alcoholic beverages directly from the warehouse of the Bucharest Wine and Brandy Enterprise for the purpose of resale on speculation, bribing representatives Mariana Murariu and Mariana Mihaila with a large amount of money. They then made an accomplice of the manager of the wineshop in Doamna Ghica Street, who agreed to accept money in place of alcohol sold directly from the warehouse. From S. R., an alcohol speculator, an individual with a prison record, authorities seized during a search a large amount of cigarettes (over a period of 2 months this person had bought and resold 600 packages of B. T. cigarettes and 360 packages of Kent cigarettes), a large number of bottles of alcoholic beverages, and 151,521 lei in currency. He had never held a job, but he did have a large crowd of tradesmen in his pay.

A certain Valeriu Visan has also speculated in beverages obtained directly from warehouses or retail outlets, and has been punished as the law demands.

However, the examples given here make it clear that such individuals would not have been able to engage in their illicit "parallel" trade if they had not worked hand in hand with corrupt elements in the commercial system, persons to whom money at any cost is the only goal, allowing them to challenge and insult the whole world with arrogance, without it bothering their conscience that they injure the supply process and harm workers' interests. The following case which took place recently is also clear in this regard. Manager Constantin Ionita and salesclerk Ionel Florea of butcher shop No 103 on Mihai Bravu Highway on 13 October 1989 sold a large amount of meat to a certain Avram Mihalache for resale at twice the price. The two managers have acted systematically in committing offenses of this kind, as they have admitted. They have done so to achieve great advantage by fraudulent means, to the detriment of efficient supply of the workers.

Such offenses will be entirely eliminated by the increasingly active and rigorous intervention of agencies of the public prosecutor's office and the police, commercial inspection agencies, worker inspection teams, and public opinion. Displays of dishonesty, speculation, and corruption, which cast a shadow on the activities of honest retail trade workers and injure workers' interests, must meet with a firm response on the part of society.

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**DATE FILMED**

3 January 1990